

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 P.M. - 6:00 P.M.  
WEDNESDAY, JULY 1, 1981

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, over the last while there has been a fair amount of comment to the effect that maybe the Province should not have ownership and control over offshore oil and gas because the industry is just too big for us.

Many have said there is just no way we could muster the scientific and technical expertise to handle the more complicated aspects of petroleum development.

It has been pointed out that our offshore hiring preference policy only applies to Newfoundlanders and Labradorians who are qualified to take such jobs. It has been argued, therefore, that this policy would guarantee us only the less skilled and more menial jobs in such a high technology industry.

Mr. Speaker, the Government of Newfoundland foresaw these particular challenges some time ago, and I was pleased to take affirmative action in this regard when I had the privilege of serving this Province as the Energy Minister.

As part of the obligations of a company holding our exploration permits, there is a requirement, based on the size of the permits, for certain expenditures in the areas of education and training and research and development. I refer hon. members to Section 120 through to 123 in our provincial offshore regulations. These regulations have been operative for

PREMIER PECKFORD: three years now, Mr. Speaker, and the oil companies, in addition to hiring hundreds of Newfoundlanders and Labradorians every drilling season - we are up to about 709 now - have been providing our people training and educational and research opportunities as well, in addition to the hiring policies themselves. This is, as I stated earlier, Mr. Speaker, because of the very clear requirement in our oft maligned offshore petroleum regulations.

The oil companies holding Newfoundland permits, having first received approval from the Minister of Energy, have received credit during the past three years for expenditures of \$5,647,100 consisting of \$1.4 million for special education and training programmes and \$4.1 million for research and development programmes.

A total of 243 Newfoundlanders and Labradorians have received training in addition to the ongoing on-the-job training of the approximately 1,000 people employed at the height of the drilling season and in addition to the regular training programmes at the Fisheries College, vocational schools, College of Trades and Technology and other educational institutions. In the near future, the minister responsible will be giving this House a detailed statement on the courses and programmes now being provided.

In some cases, Newfoundlanders went to oil company offices in Calgary for in-house training. In other cases, they were trained to carry out research in such areas as ice and weather monitoring and iceberg towing. Experiments were carried out through local companies on the use of meteorological buoys in the Arctic and on iceberg measurement. Studies were conducted on fish plankton, seals, seabirds and other environmental matters.

PREMIER PECKFORD: My Energy Minister (Mr. Barry) informs me that approximately \$2.5 million will be committed each and every year by oil companies for expenditures on education and training/research and development, utilizing local people and local firms. This funding will continue to provide opportunities for our young graduates to participate fully in matters relating to the oil industry, particularly those where marine-related skills will be important.

I will now go on, Mr. Speaker, to give some specific examples of what some of these local people and firms have been doing as a direct result of our regulations. For example - and I must give a few examples - one of the first ones here: Ten persons were recruited and sent to Alberta Petroleum Industry Training Centre to train for various positions on offshore drill rigs; \$17,100 was credited to Shell for that initiative which they had to do in order to meet the requirements of the regulations. Just to go down through the list - eleven people - \$9,500 was donated to MUN, Department of Engineering for two studies by Imperial Oil, controlled iceberg demolition and the role of angle and surface tension on the spreading of oil under sea ice. Also, eleven MUN students received a total of \$6,000 in scholarships under that fund that Imperial had to find the money for in order to qualify under the regulations.

Forty-two Newfoundlanders - twelve longshoremen received a five day course at the Fisheries College to operate ESRA equipment which is East Coast Spill Response Association. Five persons attended an A & M oil spill course in Texas, and four persons were hired by the Coast Guard and received in-house training on behalf of the East Coast Spill Response Association.

MUN work term students were sent to Calgary and received on-the-job training in geological work.

PREMIER PECKFORD: And on it goes, Mr. Speaker, a multitude of various programmes in education and training and research and development for Newfoundlanders which were made possible by the oil and gas regulations which we now have in place. And this is meant as an update to give hon. members an idea of just what is on the move and what is one the go here in this Province right now.

These few examples explain why this government is so proud of its petroleum regulations, Mr. Speaker. It is because of these regulations and this government's determination that our people are being prepared to take their place in this new and highly technical industry.

Our experience over the past three years also emphasizes why it is so very important that this Province control the pace of development in the offshore. Under our control, we will ensure that the full benefits, both direct and spin-off, flow to our people, while, at the same time, we will learn from the mistakes of others and avoid the negative aspects of a boom and bust situation.

I am very proud, Mr. Speaker, to bring hon. members up to date and table that information.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Simms): The Leader of the Opposition has three minutes.

X MR. STIRLING: Thank you very much, Mr. Speaker.

The Premier is now getting close to an area that we are very strong on on this side, training, education, helping people to compete, helping people to compete so that they can take the jobs wherever they are available. Mr. Speaker, there was one incident recently in which I was speaking to a young man who is on a drill rig over off the Coast of Scotland, and he was one of twenty Newfoundlanders out of a total of one hundred, and he said, "We are ashamed of Premier Peckford's regulation."

SOME HON. MEMBERS: Oh, oh!

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: 'We are ashamed of Premier Peckford's regulation.'

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: What we want -

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order!

MR. STIRLING: What we want, what we want -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, order!

MR. STIRLING: What we want, Mr. Speaker, is the kind of thing that he touched on today; they want training, they want the opportunity to compete.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Newfoundlanders can compete with anyone in the world, Mr. Speaker -

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: - but they need the opportunity -

MR. STIRLING: - not this first start.

Mr. Speaker, there was a report that came in here the other day that indicated they were starting to do some studies, and I presume it is now in the education area. Mr. Speaker, ten years ago is when some of this stuff started. This is an ad hoc, good first start, a good first start, Mr. Speaker, but it is not enough. It is not going far enough.

MR. WARREN: That is right.

MR. STIRLING: It is not letting the people know what opportunities are coming up. It is not getting things going so that the College of Trades is expanded to be able to deal with them.

MR. NEARY: Tell them about the longshoremen, what they did to them.

MR. STIRLING: Mr. Speaker, this is part of the lip service that is being paid by this government. But it is in the right area. It is in the area that Newfoundlanders want, that Newfoundlanders can compete in.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: And, Mr. Speaker, more and more of the money needs to be spent in this area, but it is not enough. We need to take additional initiative. We need to have the institution. We need to have the training schools here. This is where the centre of training should take place. This is one of the things that we can do.

Mr. Speaker, in another statement tabled recently the indication was that the jobs and the benefit coming from exploration will come from mainly the number of wells being drilled; the number, the quantity is

MR. STIRLING: what will effect our jobs. And that, Mr. Speaker, is what needs to be done , the exploration needs to be stepped up. But we need to get into more training here in Newfoundland and in Labrador so that our people can get the opportunity to compete. And given the chance to compete, you do not have to have any regulations looking for a birth certificate, Mr. Speaker. Given the opportunity to compete -

SOME HON. MEMBERS:

Oh, oh!



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MR. SPEAKER (Simms): Order, please!

MR. STIRLING: - they can compete anywhere  
in the world, Mr. Speaker, anywhere in the world. ✓

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

AN HON. MEMBER: Oh, oh!

MR. SPEAKER: Order, please!

I would ask hon. members to join  
me in welcoming to the Gallery now the mayor of the town of  
Windsor, from the district of Windsor-Buchans, Mayor Clarence  
King.

SOME HON. MEMBERS: Hear, hear!

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

✗ MR. ANDREWS: Mr. Speaker, I am certainly glad to  
see that the hon. the Leader of the Opposition now supports  
not only -

MR. SPEAKER: Order, please!

MR. ANDREWS: - the training programme -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. ANDREWS: Mr. Speaker, I wish to provide  
further information to this hon. House concerning the action  
being taken by my Department regarding the emergency discharge of  
matacil spray plane on Thursday evening, June 25.

Analytical results from the water  
samples taken on Saturday, June 27, in the spill area by my  
officials are coming forward from the laboratory. One sample  
shows very minute traces of a substance which is believed to  
be aminocarb, the active ingredient in matacil. As is customary

MR. ANDREWS: in the case of all positive results of this sort, the laboratory is running confirmatory analysis in order to determine beyond doubt that the substance is indeed aminocarb. Final results will be available within a few days.

Analyses of the soil and vegetation samples have begun, and those results will also be available very shortly.

I wish to reaffirm my intention to release all confirmed results as they become available and to report them to this House at the first opportunity.

In the meantime, officials of my department are drawing up plans for ongoing sampling of the streams and ponds within the adjacent area, adjacent to the spill, throughout the remainder of this Summer. This sampling will commence this week and will include each and every watershed which could possibly have received drainage from the spill area. The results of that ongoing sampling programme will also be released and reported to this House as quickly as possible.

MR. STIRLING: Mr. Speaker.

MR. SPEAKER (Simms): The hon. the Leader of the Opposition has about one minute.

X MR. STIRLING: Mr. Speaker, I think it is significant in one minute that we can note that when we are talking about a propoganda report given by the Premier about what the oil companies have done, it is eight or ten pages; when we have something under the core, custody, control, ownership of this government, if you want to see what kind of a job they do with what they own and what they control, you get a half page report of incompetence by a minister who still does not know precisely. He has not been on the site himself, he has not seem precisely where it is, he has not tabled a

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MR. STIRLING: document here that shows the boundaries of the site , he has not told us what he is going to do to prevent this same kind of emergency from happening again. This is a government that in an area in which they are supposed to have competence, ownership, they have not got a committee of responsible people who are in charge of the operational end,

MR. STIRLING:

they still do not have a member of either Environment or Forestry on those planes that are flying back and forth carrying the matacil. And this is a good example, Mr. Speaker, of the kind of attention -

SOME HON.MEMBERS: Oh, oh!

MR.SPEAKER (Simms): Order, please!

MR. STIRLING: - when you get the propaganda from one side and something over which they have ownership and control and it is thirty seconds of non-information, Mr. Speaker.

SOME HON.MEMBERS: Hear, hear!

ORAL QUESTIONS

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

MR. STIRLING: Mr. Speaker, I have a question for the Minister of Municipal Affairs (Mrs Newhook) but in her absence I will ask the Premier. And it has to do with a news report coming out of Corner Brook by Mr. George Hutchings, a name that should be well known to the Premier and members on the other side, expressing his disgust that the government is interfering in the operations of the city of Corner Brook. And in case the Premier has not been informed, since he was away for the weekend, just a little preamble: The Minister of Municipal Affairs (Mrs. Newhook) wrote the Corner Brook town council, cut their request -

SOME HON.MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: -from \$3 million to \$1 million, and then told them specifically where they could spend the money. Is the Premier aware of it and does it have the Premier's approval?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: If the hon. the Leader of the Opposition wants to know the facts of that information,

PREMIER PECKFORD:           let him ask the question so that we can provide the information from our point of view. But to accuse in the preliminary fashion that somehow we are interfering with the municipality of Corner Brook obviously is wrong and not the way to go about getting information. If the Leader of the Opposition would like some information, we will provide it. All the municipalities in the Province applied during the past six months for capital projects, the city of St. John's, the city of Corner Brook, the town of Windsor, the town of Grand Falls, many, many town councils around the Province, community councils, rural district councils and so on, and these capital projects were examined by the Department of Municipal Affairs and in the last couple of weeks a fairly extensive programme of capital projects for this Province was announced by the Minister of Municipal Affairs (Mrs Newhook), something over \$25 million of projects this year of which we are very, very proud.

SOME HON. MEMBERS:           Hear, hear!

PREMIER PECKFORD:           Now, Mr. Speaker, obviously of all the applications which come in, which total, if they were all approved, somewhere around \$200, \$300 or \$400

PREMIER PECKFORD:

million dollars - say somewhere between \$200 million and \$400 million - we do not have the capacity to respond and finance all of these projects totally each year, 100 per cent, so that, therefore, we can only provide certain amounts of money for these projects. The Leader of the Opposition's own district, I think, was the recipient of some of that money of Capital Works for a municipal project. I think the town of Windsor, also, received some, as we notice the mayors in the galleries today. So, we have tried very hard to do a good job on that. As it relates to the City of Corner Brook, as I understand it, their Capital Works totalled well over \$3 million and out of the \$3 million worth of projects that came in, we were very happy to inform the council, the city council of Corner Brook, that we could provide somewhere around a million dollars for Capital -

AN HON. MEMBER: \$1.6 million.

PREMIER PECKFORD: - \$1.6 million for those -

MS. VERGE: \$600,000 for water and sewer.

PREMIER PECKFORD: - and \$600,000 for water and sewer - \$1.6 million and \$600,000.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: That is \$2.2 million on Capital Works in the City of Corner Brook, so we are very proud of that. We would have liked to have been able to fulfill every last single project that the city council wanted us to do, but we were not able to this year and we will never be able to do it. We will never be able to satisfy 100 per cent of the requests that come in, but we will do our best to satisfy it to the maximum extent possible. We are proud of the amount of money that we are providing in the City of Corner Brook, the \$1.6 million and the \$600,000, and we will continue to provide monies to municipalities around this

PREMIER PECKFORD: Province, including Corner Brook, as money becomes available. But we are proud of our projects; we are proud of our capital program; we are sorry that we cannot satisfy every single request that comes in from the City of Corner Brook, but we will do our utmost to try to do it every year, every time we have another one of those great PC programs.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): A supplementary, the hon. Leader of the Opposition.

MR. STIRLING: Mr. Speaker, let it be noted for Mr. Hutchings out in Corner Brook that that very glib political statement did not answer the question: (a) Did you cut them back in their borrowings? They are not grants, they are the right to borrow. Did you cut them back and did you tell them specifically -

MR. SPEAKER: Order, please!

Would the hon. Leader of the Opposition direct his questions to the Chair.

MR. STIRLING: Mr. Speaker, the question I would ask the Premier is would the Premier tell us whether or not it has the approval of his government that what Mr. Hutchings says, 'We cannot tolerate this', Mr. Hutchings, a former PC candidate -

MR. BARRETT: That is too bad.

MR. STIRLING: - 'It is totally wrong' and as the member for St. John's West (Mr. Barrett) says, 'It is too bad' - would the Premier indicate whether or not this is a new policy of interference with municipalities who apply for approval to borrow - and in the case of paving it is a 60-40 operation - is it now government policy that the government will intercede, interfere as Mr. Hutchings calls it, and dictate

MR. STIRLING: to municipalities as to where the money can be spent, specifically on which streets? Is that government policy?

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

PREMIER PECKFORD: Mr. Speaker, apparently the Leader of the Opposition does not realize that the City of Corner Brook is not a viable municipality. When he talks about approval to borrow, is the hon. the Leader of the Opposition aware that there is an ongoing subsidy to the city council of Corner Brook every year? Is the hon. member aware of that, that there is an over \$2 million subsidy, outright grant, to the City of Corner Brook even though they have very high taxes there? We subsidize the City of Corner Brook every year. It is not in the same position as, for example -

MR. STIRLING: (Inaudible) as yourself.

PREMIER PECKFORD: I did not say that, Mr. Speaker. I am trying to answer the question, and if the Leader of the Opposition will give me the same courtesy as I give him when he asks the question then he might get an answer. If he will abide by the rules, I am sure I will, as I have proven in the past.

Now, the situation is, I find it rather odd that the Leader of the Opposition would take a statement issued - I do not know if the hon. the Leader of the Opposition was talking to Mr. Hutchings; I do not think he indicated that he was -.

MR. BARRETT: I doubt it.

PREMIER PECKFORD: - so he does not really know what Mr. Hutchings said, he is saying what is reported that Mr. Hutchings said, and on the basis of that he wishes to follow a line of questioning which might or might not be true. So if the Leader of the Opposition really wants to get at the system of financing in the City of



PREMIER PECKFORD: Corner Brook, I would suggest that he perhaps talk to Mr. Hutchings and talk to the majority of councillors and to the Mayor and then perhaps that way he can find out, and in addition, talk to the Department of Municipal Affairs, who will undoubtedly provide him with the sufficient information that he desires.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Just for the hon. member's edification, as he gets to his feet again, there was \$800,000 left over from last year, for the last two fiscal years, in Corner Brook for roads, money that was not spent.

MR. STIRLING: A supplementary, Mr. Speaker.

MR. SPEAKER (Simms): A supplementary, the hon. the Leader of the Opposition.

MR. STIRLING: Mr. Speaker, I can understand that the Premier is ashamed of his answers, ashamed of his policy, and he does not want to admit it. I can understand that.

Let us turn to the town of Deer Lake, another place that you may suggest is not a viable community. They think they are in those communities, Mr. Speaker. They think it is important in their communities. Would the Premier explain for the benefit of the House whether or not it is now government policy that not only did the government cut back Deer Lake but they also specifically said in a memo dated June 19th, signed by the minister, that 'You are to do this street, this street, this street and we assume that you are using this specific consultant.' Is that in tune with government policy?

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

PREMIER PECKFORD: (Inaudible) refer to the specifics of a given memo, and then isolate that from, you know, the Town of Deer Lake - now that he has lost on Corner Brook, he has to move on to Deer Lake. If we allow this Question Period to go on until suppertime, Mr. Speaker, he will be in St. John's by 6:00 p.m.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Right across the Trans-Canada.

SOME HON. MEMBERS: Oh, oh.

PREMIER PECKFORD: And I am not going to try to answer -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Mr. Speaker, can I be allowed to answer and have the courtesy -

MR. SPEAKER: Order, please!

MR. NEARY: (Inaudible) and all the rest.

PREMIER PECKFORD: The hon. member for LaPoile (Mr. Neary) is welcome to Green Bay anytime at all if he wants to get some sun, and not only get some sun but he can come out and spend some political time out there.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. NEARY: You are welcome down in LaPoile.

PREMIER PECKFORD: And the member for LaPoile can get 77 per cent of the popular vote, as I received the last time -

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: - compared to 51 over there (inaudible).

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: Unfortunately, the great popular politician from LaPoile could only manage 51 per cent, 52 per cent, 53 per cent of the popular vote for the Liberal districts.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: That was all he could do.

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: Fifty-four per cent of the popular vote.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: When the member for LaPoile (Mr. Neary) wants to -

MR. SPEAKER: Order, please!

The hon. Premier perhaps has an answer for the question?

PREMIER PECKFORD: Yes, I am trying to, Mr. Speaker, but I am waylaid by hon. members who are interjecting and breaking the rules. So if they continue to break the rules, then I have to respond to them in like kind and I asked for the protection of the Chair. Now if the member for Bonavista North, the Leader of the Opposition (Mr. Stirling), really wants to know about the town of Deer Lake, I would say he should not do it, my suggestion would be, by a single memo. I think there is a lot of communication between the Town of Deer Lake and the Department of Municipal Affairs and to try to isolate one piece of information on which he wishes to base some kind of an opinion, political opinion that it may be, I think is wrong. And I will not entertain that kind of notion here in Question Period, but I would be only too happy to provide the Leader of the Opposition will all of the information related to the Capital Works programme of Deer Lake. Then perhaps we will be able to make some value judgements on who was right and who was wrong.

MR. STIRLING: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, the hon. Leader of the Opposition.

MR. STIRLING: As I understand it, the Premier is now saying that ignore the specific instructions in a memo from his Minister of Municipal Affairs (Mrs. Newhook), get

MR. STIRLING: away from that, he is ashamed of it, he is now going to denounce it. And the question specifically that I am asking is, (a) Did your government say to the town of Deer Lake, through the Minister of Municipal Affairs (Mrs. Newhook) -

PREMIER PECKFORD: A point of order, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Simms): Order, please!

A point of order, the hon. the Premier,

PREMIER PECKFORD: If the hon. Leader of the Opposition (Mr. Stirling), as you have already interjected on a number of occasions, wishes to ask questions in the House then he should do it according to the rules, and once again he is referring to hon. members in this House other than their titles or other than the districts from which they come.

MR. SPEAKER: That is a legitimate point of order. Of course, hon. members are aware of it and the reason I try to emphasize it on occasion is that it would help the Chair maintain order in the House if members would refer their remarks to the Chair and refer to hon. members by their districts or portfolios.

The hon. Leader of the Opposition.

MR. STIRLING: Mr. Speaker, I quote the leader-in-training from the other side when he says the Barry theorem is at stake. Every time they get up on points of order, it is because you are getting close to the bone.

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: Mr. Speaker, the question that I have to ask through the Speaker to the Premier, who is ashamed to admit it, is, specifically, does he support the position of the Minister of Municipal Affairs (Mrs. Newhook) who said in a memo on June 19, 'You will do these specific streets and we have the understanding that you are using this specific consultant' who happens to be a P.C.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Who happens to be a - ?

MR. NEARY: A Tory. A big Tory out in Corner Brook.

PREMIER PECKFORD: Shame! Shame! Shame!

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Somebody is a P.C.

Fantastic!

MR. BARRETT: They found one. They found one.

PREMIER PECKFORD: And tomorrow it might be an R.C., the next day it will be a U.C.

MR. SPEAKER: Order!

PREMIER PECKFORD: What is going on here, Mr. Speaker? The Leader of the Opposition (Mr. Stirling) is now trying to declare who is a P.C. in this Province and who is not. Now, that is a new one. As I indicated earlier, Mr. Speaker -

MR. STIRLING: Another one (inaudible).

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: If the hon. the Leader of the Opposition (Mr. Stirling) really wants to know the polls for this Province on his popularity versus mine, I will take the Leader of the Opposition on any day.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: If you want to know, in the last poll that was held, Mr. Speaker, in the last poll that was held in this Province it was shown - an independent poll that we had no control over at all - that the popularity of the Premier of Newfoundland was greater than that of the Premier of Alberta in his Province, and was the highest of any Premier in Canada.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Where was the Leader of the Opposition? Where was the Leader of the Opposition in all the polls in the Bellevue election? He could not reach 40 per cent.

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

PREMIER PECKFORD: He could not reach 25 per cent and 30 per cent in most of the other polls.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: When the Leader of the Opposition -

MR. WARREN: Answer the question.

PREMIER PECKFORD: People in glass houses should not throw stones.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: People in glass houses should not throw stones.

MR. SPEAKER: Order, please!

AN HON. MEMBER: The Opposition Leader does not even register.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Sometimes it does not even register, Mr. Speaker. We have to get a new Richter scale for politics in this Province.

To answer the Leader of the Opposition directly, as I indicated to him, if he really is sincere in wanting the information on capital works programmes for Deer Lake, or Corner Brook, or anywhere else in the Province, let us get the totality of the correspondence that is being exchanged and the reasons why certain

PREMIER PECKFORD:

actions were taken and then we will be able to make some value judgments on it. To try to isolate a particular incident and to inflate it into something may or may not be valid, and that can only be determined after we have all of the information, which I am prepared to get, which obviously the Leader of the Opposition does not want.

MR. FLIGHT:

A supplementary, Mr. Speaker.

MR. SPEAKER (Simms):

The hon. member for Windsor-Buchans on a supplementary.

MR. FLIGHT:

Mr. Speaker, I would like to direct a supplementary to the Premier. As he indicated, Windsor was indeed approved for \$300,000—they requested, as he knows, \$600,000—but is being awarded that approval they were very specifically told how the money had to be spent, that certain monies had to be spent in engineering and the engineering company was identified. Now would the Premier tell the House whether or not that is the policy of this government, in awarding a town like Windsor \$300,000 to do needed street repairs, is it the policy of this government to tell the town how to spend the money, what repairs -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. FLIGHT:

- to do and what engineering

firm is to be used?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The hon. the Premier.

PREMIER PECKFORD:

Once again, Mr. Speaker, for the past number of years when a project is getting underway, in its initial stages a consulting engineering firm is chosen, usually in consultation with the municipality and so on. And after that consulting engineer gets into operation, they prepare preliminary



PREMIER PECKFORD: design work and they prepare detailed designed work, and then when the award of money is permitted or allowed by the Minister of Municipal Affairs (Mrs. Newhook), the Department of Municipal Affairs, the engineering firm, of course, is the one that has been doing all the work up to then under normal circumstances. Now in the case of Windsor, unfortunately we could not provide -

MR. NEARY:

What about (inaudible)

PREMIER PECKFORD:

- as the hon. member says,

\$600,000 that was requested, that we could only provide \$300,000.

But I would suggest -

MR. FLIGHT:

What happened -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order!

PREMIER PECKFORD:

- to the hon. member that could

be true because there are lots of municipalities who did not get any.

MR. FLIGHT:

What (inaudible).

PREMIER PECKFORD:

That is pretty good, I think.

Now -

MR. STIRLING:

How much for Green Bay?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

Oh, Mr. Speaker, the district

of Green Bay has got a member who fights for his district -

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

- for all the projects that came forward.

I remember, Mr. Speaker, now that the Leader of the Opposition reminds me, I remember long before I was Premier, long before I was a minister I was successful in getting a number of projects started in the great district of Green Bay -

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

- I will tell you right now,

And I will continue to fight with the Minister of Municipal Affairs (Mrs. Newhook) and the Minister of Transportation (Mr. Dawe) and every other minister to make sure that I get for my district my just due.

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

And I will take a backdoor

to nobody when it comes to fighting for my district, Mr. Speaker, and that is what I will not.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

So here we are back to Windsor-

\$300,000 should have been \$600,000. We are sorry we could not give the full amount.

Now there is then a discussion between the municipality and the government. Now let us remember that outside of about ten municipalities in this Province, the rest of the municipalities

PREMIER PECKFORD: are subsidized directly, not indirectly. There is indirect subsidy anyway because of the matching grants and so on that go back and forth from the government to the municipality. But outside of those matching grants, there is a direct subsidy on capital outstanding for almost every municipality in this Province. I think there are a number of exceptions. Stephenville Crossing is one, for example, on which there is no subsidy, I think. The town of Stephenville might be close to being free of capital subsidy.

The hon. member for Lewisporte (F. White) left, unfortunately. The municipality of Lewisporte is one of the top municipalities in the Province when it comes to paying their debt charges on capital. They are one of the most responsible municipalities in this Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: And it just so happens that another municipality, Mr. Speaker, because some of the members brought up -

MR. FLIGHT: (Inaudible) Windsor.

PREMIER PECKFORD: The town of Windsor, no, there is no existing subsidy on their capital programmes over the years.

MR. NEARY: (Inaudible) Port aux Basques

PREMIER PECKFORD: Port aux Basques is another top municipality in the Province. And I am very pleased to say that the town of Springdale in the district of Green Bay is another one of those great municipalities.

MR. STIRLING: But you are making a distinction now-

PREMIER PECKFORD: But then -

MR. STIRLING: - first class and second class  
(inaudible).

PREMIER PECKFORD: No, they are all the one class, but some have had a longer history of municipal government than others, some have had a shorter municipal government than others, some have had a better tax base than others. And I must say for the town of Lewisporte, the town of Port aux Basques, as these members will vouch, they are extremely responsible municipal councils who have done a lot of work, and, of course, who had instituted property taxes a long while ago too. But there are others that do not, and additional negotiations ensue between that municipality and the government, because the government of Newfoundland is the agency which will have to pay the subsidy, the capital and interest on that capital, on that new \$300,000. So there are negotiations that ensue.

And out of it hopefully will come an amicable way of dealing with that \$300,000 and seeing that it is spent wisely. That is not meant to be a dictatorial approach to municipal government. It is meant to be a co-operative one. And out of the 300 or 309 municipalities in the Province right now, innumerable meetings occur day after day, week after week in which these problems between the municipality and the Government of Newfoundland are worked out on a very cordial and co-operative basis.

Hopefully in the case of Windsor, it can happen that way too.

MR. NEARY:

Mr. Speaker.

MR. SPEAKER(Simms):

The hon. member for LaPoile.

MR. NEARY:

Mr. Speaker, let us see if we have the hon. gentleman straight.

MR. NEARY: Is the hon. gentleman saying that where government subsidizes municipalities that the government will specify the projects that have to be carried out by that municipality when they get their approval to borrow and name the engineering firm that has to do the consulting work? Is that what the hon. gentleman is saying? Because in the case of Corner Brook and Deer Lake, my understanding is that they were told by the Minister of Municipal Affairs (H. Newhook) the engineering firm they were to employ as their consultant.

PREMIER PECKFORD:

Wrong!

SOME HON. MEMBERS:

Oh, oh!

MR. NEARY:

Now, Mr. Speaker,

MR. NEARY: Is this government policy? And if it is government policy, would the hon. gentleman tell the House if public tenders were called for all these engineering services?

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

PREMIER PECKFORD: Mr. Speaker, the hon. member knows the answers to those questions that he asked as do most of the members on the opposite side. I mean, if he does not, being in the House as long as he is, you know, we will have to question something about the hon. member, but I am sure he does. In every award of money from the Department of Municipal Affairs, as is standard -

MR. STIRLING: Not (inaudible).

PREMIER PECKFORD: Yes, it is. That is what it boils down to: It is approval to borrow on which there will be a subsidy by the Government of Newfoundland. Now, you know, the Leader of the Opposition has not been in the House that long and he might not understand government's procedures.

MR. STIRLING: I have been in municipal a lot longer than you have.

PREMIER PECKFORD: Well, I am glad you got on municipal. Because you know nothing about - I am glad you got on municipal, but it was unfortunate that you went to provincial.

MR. STIRLING: (Inaudible) unfortunate.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I must ask the hon. the Premier to refer to the hon. Leader of the Opposition by his district.

PREMIER PECKFORD: Mr. Speaker, the Leader of the Opposition, his only recourse now is, 'When will you have the gall to call an election?'

MR. STIRLING: That is right.

PREMIER PECKFORD: I heard that from 'Bring Don Home' and he found out when an election was called what happened to him. Let me say to the Leader of the Opposition that these kinds of challenges just might prompt that and if the polls are any indication, if the Bellevue election is any indication, there will be five sitting over there after the next election. Five!

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: And we want a strong Opposition, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: We want a strong Liberal Opposition because the Liberal party is important to the politics of this Province and will continue to be important as long as they are sitting on the other side of the House. We do not want to destroy them. No.

Now, Mr. Speaker, we do determine the consulting engineer.

MR. STIRLING: That is not true.

PREMIER PECKFORD: That is not the way the thing works at all, but when the award of money is made most times an engineering firm has already been hired by the municipality and the department for the previous one, two or three years to do that preliminary study, the detailed study and so on. So the standard approval that goes out contains the value of the money and the consulting engineering firm which everybody had agreed to long and merry ago in any case for the preliminary and detailed work. So it is no new designation when that approval goes out. That is not a new designation of a consulting engineering firm, but marks the existing consulting engineering firm that did all the work on that project to get it to the point whereby money was approved for it at this time. As far as public tenders are concerned,

PREMIER PECKFORD: public tenders have not been called in this Province ever up to now for that kind of consulting engineering work. It has been done on the basis of trying to provide the consulting engineering business in an fair and equitable way, of making sure that the engineering fraternity is alive and well in this Province. There can be some argument made for going to tender in that but it is far more difficult to -

SOME HON.MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: - determine because there is a standard price as charged by the engineering profession and it is hard to qualify or quantify



PREMIER PECKFORD: the quality of one piece of work over another. It is very difficult to do. But all engineering firms are awarded for certain preliminary and detailed work to do.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: So to answer the hon. member, the municipality has the power to designate who its consulting engineering firm is and then after that is designated -

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Well, we all know that. I mean, that has been established some time ago. So, Mr. Speaker, all that telegram did was confirm an ongoing arrangement that had been made with a consulting engineering firm. That is all, and there was no designation. And a municipality anywhere in the Province can choose whatever consulting engineering firm they want.

MR. STIRLING: Wrong!

PREMIER PECKFORD: Because you did not understand what I just explained, which was that it was just confirming what had already been agreed to.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: The hon. the member for LaPoile on a supplementary.

MR. NEARY: Mr. Speaker, in the case of Deer Lake and Corner Brook, it is my understanding they had no choice, they had to continue with a specific engineering firm in Corner Brook whether they liked it or not. They did not have any choice.

AN HON. MEMBER: That is not true.

MR. NEARY: It is true, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

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

MR. NEARY: And the Premier just confirmed that these were merely extensions of contracts. And the Auditor General -

PREMIER PECKFORD: No.

MR. NEARY: Yes, they are extensions of contracts.

SOME HON. MEMBERS: Oh, oh!

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

MR. SPEAKER: The hon. the President of the Council on a point of order.

MR. MARSHALL: Mr. Speaker, this is the Question Period. If the hon. gentleman wishes to make a speech there is a time and a place for it.

MR. SPEAKER: If the hon. member has a question, I would ask him to direct his supplementary. There are other members whom I know wish to ask questions.

MR. NEARY: Right, Mr. Speaker.

It was my understanding from the Premier that these were extensions of contracts. Now, would it not be advisable for the Department of Municipal Affairs when they are approving loan guarantees for municipalities to call public tenders? Would there not be a possibility that there could be a tremendous saving to the Public Treasury by calling public tenders, and savings to the taxpayers in these municipalities that are involved? The Public Tendering Act says that on anything over \$15,000, public tenders must be called by the Province and by the municipalities, so why in these two cases were public tenders not called? I am not prepared to accept the hon. gentleman's explanation of that that they are on a fixed fee. They are new contracts or

MR. NEARY: extensions of old contracts  
and therefore public tenders should have been called.

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

PREMIER PECKFORD: The member for LaPoile (Mr. Neary)  
either does not understand or, you know, is just trying  
to misconsture.

MR. NEARY: (Inaudible)  
patronage.

PREMIER PECKFORD: Well, the hon. member talks  
about patronage, and the hon. member knows about  
patronage.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: (Inaudible).

PREMIER PECKFORD: Oh, yes! Oh, yes, Mr. Speaker,  
now we are getting to the nub of it.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: (Inaudible) patronage.

PREMIER PECKFORD: Oh, boy! The building details  
on Bell Island have come back to haunt the member for  
LaPoile. Talk about patronage!

SOME HON. MEMBERS: Oh, oh!

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

PREMIER PECKFORD: Mr. Speaker, are we ever getting  
there now!

As a matter of fact, Mr. Speaker,  
when it comes to contracts as opposed to consulting work,  
contracts on which over \$15,000 now there has to be  
public tendering, the Minister of Public Works

PREMIER PECKFORD:

(Mr. Young) is about to announce that we will be, because we want to coincide with the Mahoney Report, that from \$1,000 to \$15,000 tenders will be called for all these projects all over the Province, so that that will be done.

MR. NEARY:

Yes, it is going to be now.

PREMIER PECKFORD:

Mr. Speaker, let us deal with what the hon. member for LaPoile (Mr. Neary) is suggesting. Obviously he does not know the system. At the time that the money is awarded, a consulting engineering firm could have been on staff and developed that project for the last two or three or four years.

MR. NEARY:

So what it is a new contract.

PREMIER PECKFORD:

And it is not a contract, it is not a contract. That is the other thing, it is not a contract and does not contravene the Public Tendering Act. So, let us get that straight, it does not contravene the Public Tendering Act. There is an argument that can be made, that the Federal Government does not do it, that is for sure. They go out all over the place for consulting engineers and consulting work without any public tender; as they do, by the way, in the Supply and Services Department for tens and hundreds of millions dollars worth of work, no tenders even on specific construction work. This is not construction work, this is consulting work which is different. But there is an argument that can be made that on the front end, if you knew that your proposal was going to be approved for a certain amount of money, that some tenders could be called on consulting engineering work, but, even then, it is difficult, but it is worth looking at. Right now it is not covered under the Public Tendering Act because it is extremely difficult to

PREMIER PECKFORD: quantify. Insofar as we get into construction, the contracts over \$15,000 go to public tender, and now we will be announcing that we will further refine down to \$1,000, that anything over \$1,000 will be going to public tender all over this Province, and local papers and so on to give local contractors and industries in the areas around the Province the better chance to become involved in this development. As it relates to consulting engineering -

MR. SPEAKER (Simms): Order, please!  
The time for Oral Questions has expired.

PREMIER PECKFORD: - as it relates to consulting engineering, it is a different quintal of fish, but in some cases it might be worth looking at. X

MR. SPEAKER: The time for Oral Questions has expired.

NOTICES OF MOTION

MR. HISCOCK: Mr. Speaker.

MR. SPEAKER: Yes, the hon. member for Eagle River.

MR. HISCOCK: I give notice that I will on tomorrow move the following motion, "WHEREAS this is Canada's 114th Birthday and the Province of Newfoundland and Labrador has been in Confederation for thirty-two years. AND WHEREAS there are citizens within our Province questioning the Union with Canada in 1949. AND WHEREAS Canada seeks to have equality for its citizens from coast to coast, freedom of religion, freedom of speech, freedom of assembly, freedom of language and the free movement of people, goods and services across Canada. AND WHEREAS citizens of Newfoundland and Labrador have so much to share with the Canadian family by way of culture, resources and geography. THEREFORE, BE IT RESOLVED that this House pass unanimously this resolution

MR. HISCOCK:                    without debate pledging our  
allegiance to the Canadian Nation as first class Canadian  
Citizens, and that this motion be conveyed to Her Majesty's  
representative, the Governor General of Canada."

Mr. Speaker, I ask that this  
motion be passed by unanimous consent without debate -

MR. NEARY:                    Today.

MR. HISCOCK:                    - today.

SOME HON. MEMBERS:            Hear, hear!

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

PREMIER PECKFORD:            Mr. Speaker, we have no objections  
to it. The only part of the resolution which we would take  
some issue with, and

PREMIER PECKFORD: therefore might have to see the wording of it is the part that deals with the movement of goods and services across the country because that could eliminate our local preference.

AN HON. MEMBER: (Inaudible)

PREMIER PECKFORD: No, but if it eliminated our local preference policy, we would have to take issue with it.

AN HON. MEMBER: (Inaudible)

PREMIER PECKFORD: Yes. But if you are just talking about the goods and services which exempt local preference, well then we will give unanimous consent to it. But we could only do it as long as the existing policies that we have in place as it relates to the local preference on offshore can still be sustained until such time as we get an unemployment rate equal to the rest of Canada. And, therefore, with that qualification we would fully support it with no debate because it is a good resolution otherwise.

SOME HON. MEMBERS: Question, question.

MR. SPEAKER: Those in favor of the resolution, signify by saying 'Aye'.

SOME HON. MEMBERS: 'Aye'.

MR. SPEAKER: Contrary, 'Nay'

Carried.

Further Notices of Motion?

SOME HON. MEMBERS: Hear, hear.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. NEARY: A point of order. Mr. Speaker.

MR. SPEAKER: A point of order, the hon. member for LaPoile.

MR. NEARY: The hon. the Premier promised me yesterday he would get the answer to 100 Huntley Street, his refusal to let the people use Confederation Building for their salute to Canada which was televised from coast to coast. Does the hon. gentleman have that answer?

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

PREMIER PECKFORD: I had it yesterday, Mr. Speaker, but there was no place for me to give it, and I let it slide.

When I was suppose to answer it a few minutes ago under the specific heading; I let it pass by. So it is not a point of order -

MR. SPEAKER: No.

PREMIER PECKFORD: - so if I want to take the hon. member up on his point of order, there is no point of order and therefore I do not answer. But I take it that the hon. member will allow me to answer now that he has risen on a point of order on it.

MR. SPEAKER: Well, I will rule there is no point of order and we are still under Answers to Questions so the hon. Premier may reply.

PREMIER PECKFORD: Oh, good. Thank you, Mr. Speaker.  
The Minister of Public Works and Services (Mr. Young), I think, was approached on the subject of Huntley Street and they wanted to use, I forget the specifics of it now, the main lobby of the building and we had some -

MR. YOUNG: And the staff was off .

PREMIER PECKFORD: Yes. It was a holiday, we would have to call staff back -

SOME HON. MEMBERS: Oh, oh.

PREMIER PECKFORD: - and therefore we did not want to spend any additional monies on that because otherwise you would get other people wanting to use the lobby just as well as

Huntlev Street and one would have to go along with it.

MR. STIRLING: Every single province in Canada (inaudible).

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Now, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!



PREMIER PECKFORD: - they can be dissatisfied with the answer, and there is a way that that can be handled under the rules too, but I am still allowed to speak without being interrupted. So, I mean, if we are going to have rules, let us have rules.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: So there are a range of reasons why the Huntley Street request was turned down but that was one of them, because they wanted to use the lobby and because additional people would have to be hired in order to make that possible and ensure security and therefore we thought that there were other avenues, other places where it could be done.

MR. SPEAKER: Any further answers to question?

AN HON. MEMBER: (Inaudible)

PREMIER PECKFORD: It had nothing to do with Canada.

MR. NEARY: A point of information, Mr. Speaker.

MR. SPEAKER: A point of information, the hon.

member for LaPoile.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please!

MR. NEARY:

Mr. Speaker, I asked -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. NEARY:

Mr. Speaker, the Minister of Forest, Resources and Land (Mr. Power) took a question yesterday under advisement, -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. NEARY:

I am asking the hon. member if he has the answer.

MR. SPEAKER:

Order, please!

That question would be more appropriately put during Question Period not under Answers To Questions, because if there are no answers that does not constitute a point of order.

MR. NEARY:

A cover-up.

MR. FLIGHT:

A cover up.

ORDERS OF THE DAY

MR. SPEAKER:

The hon. Leader of the Opposition.

MR. STIRLING:

Mr. Speaker, I think it is appropriate day. We are prepared to give up Private Members' Day, if we can just have a minute to discuss it by leave, if we have the leave, we are prepared to give up Private Members' Day, Mr. Speaker, on this day, July 1, and it is appropriate that the new President of the Canadian Legion is in the Assembly. And I would propose that by agreement we give up Private Members' Day

MR. STIRLING: and bring forward for debate "An Act Respecting The Awarding Of Medals To Veterans Of The Province -

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: - Who Volunteered To Serve In The Second World War." Mr. Speaker, it is a piece of legislation that is waiting, one of forty pieces of legislation that have not been brought forward by the government but in the spirit of -

MR. WARREN: Co-operation.

MR. STIRLING: - co-operation and with such an important bill and on this day the 1st. of July, when we can pay tribute to our war veterans, on this side of the House, Mr. Speaker, we are prepared to give up Private Members' Day on the understanding that the government is prepared to debate Bill 90 "An Act Respecting The Awarding Of Medals " as one of the acts on the Order Paper. Now, Mr. Speaker, it will show all of the people that on both sides of this House we are prepared to co-operate.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: - that we do respect the war dead, that we do respect the Royal Canadian Legion, and that we are prepared to give up our privilege, the privilege of Private Members' Day in order to speed up its process through the House, and to deal with this bill on what could be any more appropriate day, Mr. Speaker. It should have been brought in in time to actually have the medals awarded today. But since we cannot do that can we deal -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: - with the legislation?

MR. NEARY:

Well said.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms):

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I thank the Leader of the Opposition. I would have liked if we had been able to have a chance to discuss it before the House opened this morning together or, you know -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

- when the -

MR. STIRLING:

(Inaudible).

PREMIER PECKFORD:

Mr. Speaker, can I speak without being interrupted? We try not to interrupt when the Leader of the Opposition speaks and we like the same courtesy in return. If this is the age of co-operation for the rest of the day, I mean, fine, let it be. But let us be fair about it and then if I speak may I speak without being interrupted because I want to respond to what the Leader of the Opposition said, and I do not like to do it if I am going to be continually interrupted. I think if I do not as a person deserve that respect, at least the office that I hold does. So I would ask the hon. members to please refrain themselves from interrupting me.

Number one, Mr. Speaker, let me just say that we would have liked to have done it another way, behind the curtain or in my office or some kind of negotiation so it had not been thrust upon us without us knowing.

PREMIER PECKFORD: anything about it beforehand, that would have been the nicer way to do it and we would have felt a lot more comfortable with it done that way as gentlemen and as hon. legislators of this House, number one.

Number two, Mr. Speaker, we introduced that legislation the day that the Legion Convention met here in St. John's, which - by the way, the convention approved our new flag which we thought was a fantastic gesture by the Canadian Legion -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: - a fantastic gesture. And we thank the Legion for that because that was fantastic.

Thirdly, of course, Mr. Speaker, we are providing somewhere over \$140,000 for medals to Legionnaires, and an additional \$40,000 to Foresters, to recognize their service. So we put our money where our mouths are and we have actually indicated to the Legionnaires and to the Foresters what we are prepared to do.

Now, Mr. Speaker, number four. To come to the crux of the matter, the Opposition to want to give up Private Members' Day to bring this forward, today being Canada Day - the President of the Canadian Legion is in the galleries - we would agree on one condition, that if we are all in the spirit of co-operation, it go through unanimously without any debate - if we all agree.

SOME HON. MEMBERS: Hear, hear!

MR. BARRETT: A super effort.

MR. SPEAKER (Simms): To continue the negotiations, the hon. the Leader of the Opposition.

MR. STIRLING: Yes.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: I think this is a good deal of

MR. STIRLING: fun, negotiating in this matter, because, you see, the Premier sets the standard, always the Premier of the Province sets the standard.

MR. BAIRD: Right on, Skipper.

PREMIER PECKFORD: Do you not ever forget it.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: For example, Mr. Speaker, earlier today he did not have the courtesy to send me a copy of his statement -

PREMIER PECKFORD: Oh, come on now. Come on.

MR. STIRLING: - which is typical of the kind of courtesy they give.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: So dealing with, Mr. Speaker, the question of the offer to have it go through without debate, we think that on both sides of the House there should be the opportunity to pay tribute to the Legion.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: We will agree in advance, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order!

MR. STIRLING: - that we will pass the bill this afternoon, it will be passed unanimously, but we believe that it is too important a piece of legislation -

PREMIER PECKFORD: Oh, no. Oh, no.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: - Mr. Speaker, just to let it go through without debate.

MR. WARREN: Right on! Right on!

MR. SPEAKER: Order!

MR. STIRLING: However, if they insist on having this passed without debate, let us pass it without

MR. STIRLING: debate and we will go back to Private Members' Day, if they want to go back to a debate.

MR. WARREN: Right on! Hear, hear!

MR. NEARY: Right on! That is it.

MR. STIRLING: So, Mr. Speaker, let us have it one way or the other. Our preference would be that we would pay tribute today, July 1, to the Legion, to the members, the volunteer service. Mr. Speaker, we are the only people left, the only people who had volunteers during that Second World War.

So, Mr. Speaker, let us agree in the spirit of negotiations that, yes, it will have the unanimous approval and that we will spend the next couple of hours this afternoon, speeches on each side of the House, paying tribute to the Legion, paying tribute to the volunteers, and that we will let the business go through today. Otherwise, let us deal with it immediately, put it through immediately, and we will go back to Private Members' Day.

MR. WARREN: Hear, hear! Hear, hear!

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: No, I do not think that that is an acceptable proposal at all. If we are really interested in honouring the Legion - we all agree on the kinds of things that the Legion does in this Province, we are all in full agreement with this bill - by the way,

PREMIER PECKFORD: which is in my name on awarding these medals- and, you know, the best duty we can do, seeing that we procrastinated over bills in this House for the last two or three weeks and got nowhere, if we want to really demonstrate to the Legion and the people of Newfoundland that we are serious about the people's business, then we will get on and pass with this.

Now, that is the two positions. All right. Unless the Leader of the Opposition (Mr. Stirling) is not agreeable, I will concede this: Why not then as a compromise, the Leader of the Opposition speak for fifteen minutes, then I will close the debate for fifteen minutes - we will just waive the rules - and have it through by four o'clock with just two of us speaking for our respective delegations, for our respective sides in the House, honouring the Legion, pass it and get on with more legislation until six o'clock?

SOME HON. MEMBERS: Hear, hear!

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

MR. STIRLING: Mr. Speaker, this is a significant day and if I have the blessing of my colleagues on this side I certainly accept that proposition. And if that is agreed, I will lead off now in the debate.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Then we will go on with other legislation after four-thirty.

MR. STIRLING: Sure!

PREMIER PECKFORD: Okay. Fine! Great!

MR. SPEAKER: Such a motion, of course, would require unanimous consent of the House. The motion, as I understand it, then is that we will debate Order Number 36, Bill No. 90. The hon. the Leader of the Opposition will lead off for fifteen minutes, the hon. the Premier will



MR. SPEAKER (Simms): close the debate for fifteen minutes, the bill will then go through first, second and third reading without debate. Is that the idea?

SOME HON. MEMBERS: Yes.

MR. SPEAKER: Following that we will carry on with whatever orders are called by the Government House Leader.

Those in favour of the motion, signify by saying 'aye'.

HON. MEMBERS: "Aye".

MR. SPEAKER: Contrary 'nay'.

MR. SPEAKER: I declare the motion carried.

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

A point of order, please!

MR. SPEAKER: A point of order. The hon. the member for Windsor - Buchans.

MR. FLIGHT: I have a point of order, Mr. Speaker. I do not believe, personally, that the Premier, a short time ago, deliberately attempted to mislead the House, but certainly something contained in a statement he made was misleading and indeed not true. The Premier indicated that the Royal Canadian Legion at their convention approved the new Newfoundland flag. Mr. Speaker, the facts are the Royal Canadian Legion did not approve the new Newfoundland flag, they accepted it because of the legislation forced through by this government.

SOME HON. MEMBERS: Approved. Approved.

MR. SPEAKER: Order, please!

MR. FLIGHT: It was not approved, it was accepted.

SOME HON. MEMBERS: Approved.

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

MR. SPEAKER (Simms): That is not a point of order, that is a matter for debate.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I call Order number 36, bill No. 90.

Second reading of a bill,  
"An Act Respecting The Award Of Medals To Veterans Of The Province Who Volunteered To Serve In The British Imperial Forces During The Second World War". (Bill No. 90).

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

MR. STIRLING: Thank you, Mr. Speaker.

Let me say, Mr. Speaker, just in connection with the point of order brought up by my colleague just a moment ago, that I laud the Royal Canadian Legion, and I point to the Royal Canadian Legion as an example of somebody who can put up a fight against something that they do not believe in, but that once it is the law of this Province, once it is passed, that the Royal Canadian Legion did what we did on this side of the House, we accept it as the law of the Province and we encourage everybody to follow the law, and we commend the Royal Canadian Legion for taking that kind of position.

They do not like the flag any better, but it is the law and they are following the law, Mr. Speaker.

Now, dealing with the main motion: Mr. Speaker, for many years veterans in Newfoundland have made application for the Canadian Voluntary Service Medal only to have the Minister of the Department of National Defence (Hon. Giles Lamontagne) refuse the application on the basis that Newfoundlanders who served during World War II, in the British Imperial Forces, were not members of the

MR. STIRLING:

Canadian Armed Forces  
and, therefore, under the legislation could not receive  
the medal.

Now, Mr. Speaker, this

MR. STIRLING: was a medal for volunteers as opposed to conscripted people.

In December of 1977 conversations were held with Mr. Jim Channing, then Clerk of the Executive Council, and as a result a formal letter was sent to him on February 27, 1978 wondering if the government would authorize a medal for those Newfoundlanders who served during World War II with the Royal Navy, the Royal Artillery, the Royal Air Force and other British Imperial regiments. The government then carried on correspondence with the High Commissioner for Canada in England and they were informed that Great Britain did not issue volunteer service medals to the British Imperial forces and they had conscription. And, Mr. Speaker, and this is worth noting and I hope the Premier will again pay particular attention to this in his comments, that the only group that served as volunteers with the British forces under the direct command of the United Kingdom were those from Newfoundland, something we can all be proud of, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Every Newfoundlander and every Canadian can be proud of the Newfoundlanders who served during the Second World War, as they are of the Royal Newfoundland Regiment and others who served during the First World War.

In August, 1978, Command were requested to write the hon. Don Jamieson, at that time Secretary of State for External Affairs, to see if there would be any opposition from the federal Cabinet to the provincial government issuing a medal. Mr. Jamieson, who was, of course, a minister in a federal Liberal Government, a Canadian Government, replied that no objections would be made by the federal government.

MR. STIRLING: From there, the Legion was requested to set up a committee to consider design and the Legion was very fortunate in Memorial University making available to them Mr. Ian Stewart of the university with whom the Legion worked very closely and in full co-operation with Mr. Jenkins of the Executive Council staff. When the design had been approved by the Legion and then approved by the government, government made arrangements through Mr. Stewart for the minting by the Royal Mint in England.

Mr. Speaker, whilst it is thirty-six years since the termination of hostilities in Europe and the Far East, and a great many of the Legionnaires have passed on to the eternal reward, the Legion suggested to government that they consider when drafting the legislation to make medals available to the deceased comrades' next of kin. The Legion has undertaken a valiant effort on behalf of those Newfoundlanders who served during the Second World War who volunteered, Mr. Speaker, to serve, to lay down their lives, to pay the supreme sacrifice on behalf of all that we believe in, on behalf of the equality, the fair chance, the right to speak out, all of those things that we hold so near and dear to us. Those are the people, the members who served in our two great wars, and in particular, we are now going to

MR STIRLING: honour those who were volunteers. Nobody forced them. Just this week, Mr. Speaker, we are mourning the death of Terry Fox, another hero, a hero who did what he did out of love. He did what he did because he wanted to, because the challenge was there. And many of our young men, the same age as Terry Fox back thirty years ago, thirty-six years ago, forty years ago, the same age as Terry Fox, the same spirit as Terry Fox, the same determination, the same willingness to lay down their lives, and some of them did. And, Mr. Speaker, it is to the eternal tribute always of the Legion that they remember, that they make sure that we do not forget, and that they undertook this effort, this volunteer effort to show to all of Newfoundland and Labrador, to show to all of Canada how proud we were of those volunteers. And they keep up the fight, keep up the fight to make sure that the widows and orphans and those who are disabled and those who do not have jobs, they keep up the fight to see that they are looked after.

Mr. Speaker, this is a tribute not only to the volunteers but a tribute to their organization, the Royal Canadian Legion, who are determined that they should not be forgotten, that the volunteers should be properly treated. And, Mr. Speaker, I think it is significant that it was started during a Liberal government. It had the co-operation of a federal Liberal government, it has the co-operation of the provincial PC government and the unanimous consent and co-operation of the Liberals on this side of the House. So, Mr. Speaker, it is one of those occasions on today, July 1st, when we remember it is Canada Day but it is also a day when we remember the Royal Newfoundland Regiment in 1916 when the members answered the call. They did not question, they took the orders and

MR. STIRLING: they went over the top and a whole generation was almost wiped out completely and they have become our heroes. And, Mr. Speaker, we cannot let them down. We cannot let down those heroes of 1916, we cannot let the volunteers down, people who served during World War II. And that is why, Mr. Speaker, today that we decided that we would give up Private Member's Day in order to make sure, because we are not sure of what is happening with the Orders, whether all the business is going to be dealt with or going to be postponed or there may be a new election, so we wanted to make sure that this was given top priority, number one priority, and this should be gone through so that it is a completed, accomplished fact, something that every Newfoundland and every Labradorian can be proud of and that we pay tribute, and this is our way on the Opposition in giving up Private Member's Day and paying tribute and reminding people that the people who went overseas were the same age as Terry Fox, they were the flower of Newfoundland, the youth of Newfoundland who volunteered in the same spirit of Terry Fox. They did what they had to do because they believed in their country, they believed in this Province of Newfoundland and Labrador and they believed in the British system, because they served in the United Kingdom forces. And, Mr. Speaker, this is a great day,

MR. STIRLING: and a sad day, but it is a day when we can all join together in paying tribute to the Legion, to all of the veterans, to all of those who served and in particular to use this opportunity with this medal to pay total and complete homage to those volunteers who, in the same spirit as Terry Fox, and for all of the same reasons, did what they had to do in the two great wars.

And, Mr. Speaker, it is a real pleasure to be a member of this House of Assembly that totally and unanimously approves this medal. X

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker.

MR. SPEAKER (Simms): The hon. the Premier. If the hon. the Premier speaks now, he will close the debate.

X  
PREMIER PECKFORD: Thank you, Mr. Speaker. As you say, on this day, Canada Day, and to ensure that the comments from the Leader of the Opposition are not taken sort of out of context, we had indicated to the Canadian Legion before this day, before this week, a number of weeks ago, that not only would we introduce this legislation but before the House closed this Spring, this Summer, we would pass this piece of legislation. So, it was going to be passed, in any case. It was going to be called by the House Leader (W. Marshall) for this side and we had made that promise, that commitment to the Canadian Legion here in our Province.

We are very proud and I am personally very proud of this initiative that the government has taken at this time, after extensive talks with the Royal Canadian Legion and extensive lobbying by them to ensure that this medal is awarded.

There was a letter back in '78 from Mr. Wall, the Provincial Secretary of the Newfoundland and Labrador command of the Royal Canadian Legion, to the government



PREMIER PECKFORD: explaining the situation and indicating how they felt about it. Perhaps I should read it into the record because it sort of sums up how the Legion feels about it.

'For a number of years since our entry into Confederation, branches and members in Command have been bringing resolutions to our conventions in connection with a volunteer service medal for those who served with the British Imperial Forces during World War II and who enlisted in Newfoundland. Shortly after Confederation, attempts were made by certain people to make all volunteers in this Province eligible for the Canadian Volunteer Service Medal. This was refused, and, in the opinion of quite a few veterans, rightly so because this medal was struck by the Canadian Government for those who served with the Canadian Armed Forces and as the majority of our people served with the British Forces, technically we should not be considered for the award.

'As a matter of interest, I would say that 80 per cent of Newfoundland volunteers were not

PREMIER PECKFORD:

'in favour of the application for the Canadian medal, which, I stated earlier, had been made by private citizens as distinct from the Legion itself. Since 1970, Legionnaires from this Command have been involved with their comrades on the mainland much more so than they had been in the past, and the numbers of Legionnaires attending national conventions have increased considerably, and with this exposure on the mainland, particularly as far as medals are concerned, have come problems. For example, a group from this Province with their full regalia are chatting with some of their counterparts from, say, Alberta or Ontario and the subject of volunteers came up - there is a very prestigious distinction among veterans - Newfoundlanders make the claim that everyone from Newfoundland who served with the Imperial forces were volunteers, and the counter is, if that is true, where is your volunteer medal? This has caused some very heated arguments and consequently is disturbing to those of us so exposed.

'In 1974 a massive convention was held in St. John's and it had to be explained so often by our members that it looked like we were trying to justify our volunteering. We have received many letters on this subject requesting that we approach the provincial government and ask them to strike a Newfoundland volunteer medal for those who served overseas with the British Imperial forces and who enlisted in Newfoundland that it was the thought of our Executive Council this year might be most opportune because of the proposed visit by Her Majesty the Queen and Prince Philip. The number of medals to be struck would in all probability not exceed 7,000 as volunteers from this Province enlisted following the outbreak of hostilities September 3, 1939 with the

PREMIER PECKFORD: Royal Navy, Royal Artillery and Royal Air Force. Practically all other parts of the Commonwealth have a volunteer medal for World War II, among them, South Africa, India, New Zealand, Southern Rhodesia, Australia, etc. You can readily see we were the only volunteers in the Commonwealth who were not issued this type of medal. It would be appreciated if you could present our request to the appropriate authority, and so on. And that resulted in the whole thing getting discussed and talked about and so on, which has led to the striking of the medal at the Royal Mint in London - I think the Royal Mint in London. It took a while to get this done, by the way. This was not an easy thing to get done. I think 7,500 and over \$100,000 has been spent for the minting of this medal for the volunteers of the Second World War who have not been recognized to date.

Now, after we did that and after it became clear that it was going to become a reality with the Canadian Legion and all their members appreciating it and co-operating with us in it, another problem arose just in the last couple of months, which I know a lot of the Legionnaires and other people are familiar with. Another problem arose and that was with some others who were not in the forces per se, but were in the forestry or other aspects of the overseas operation during World War II.

We have very recently, in the last number of weeks or so, indicated to these foresters and other people who do not fall under the heading of volunteers as applied in this particular legislation, that we will mint a separate medal for them to recognize their contribution, different though it was from the forces, would recognize their contribution overseas during that

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PREMIER PECKFORD:

period as well -

AN HON. MEMBER:

The Merchant Marine.

PREMIER PECKFORD:

The Merchant Marine, right -

PREMIER PECKFORD: so that there will be an additional piece of legislation, or additional regulations made, to ensure that not only are the ones now that this act covers awarded some distinction and some merit for their service, but also these additional people, two or three thousand, three or four thousand, which will cost somewhere in the order of \$30,000 to \$40,000, so that there will be a two-pronged attack to it. This particular act, of course, deals only with the volunteers in the forces from '39 to '45.

Now, the act, itself, it would be interesting just to put on the record, Mr. Speaker, before we go through the Committee of the Whole and the rest, the third reading, so we get it all passed today, the act is entitled 'An Act Respecting The Award of Medals To Veterans Of The Province Who Volunteered To Serve The British Imperial Forces During The Second World War', and it is in my name.

Now, the act may be cited as The Volunteer War Service Medal Act. In this act "medal" means the Newfoundland Second World War volunteer Service Medal that is more particularly described in the Schedule which I will come to. "Veteran" means every person in the Province who volunteered to serve in the British Imperial Forces during the Second World War.

And subject to sub-section (2), the Government of the Province shall award a medal to (a) every veteran who once served overseas during the Second World War in any of the British Imperial Forces, and 2, is ineligible for or has not received a volunteer service medal from any other country. And (b), this is a very important part of the legislation, every person who for various reasons did not participate in overseas duty. Two, every veteran is eligible to receive a medal whose place of domicile was in the Province prior to his

PREMIER PECKFORD: enlistment in the British Imperial Forces, and then the evidence. And where a veteran did not participate in overseas duty, he shall by oath or affirmation certify in such manner as may be prescribed by the Lieutenant-Governor in Council by regulation that he volunteered to serve in the British Imperial Forces. That covers all that type of individual too, who had actually volunteered but, for whatever reason, was unable to follow through.

Five, where a veteran who would be eligible to receive a medal under this act was killed during the Second World War or has died since the end of that war, a medal may be awarded to a relative of that veteran as may be prescribed by the Lieutenant-Governor in Council by regulation. In other words, we will have to decide what relative it will be. In many cases it will be different relatives so you cannot do up a piece of legislation for it, it has to come under regulations.

And, so, a relative of the deceased veteran who volunteered will qualify to receive a medal. And, of course, the last part was just the Lieutenant-Governor to make regulations.

Now, the other part is the schedule and the description of the medal itself which I think is very, very important. The obverse side of the medal is circular in shape and is inscribed and decorated as follows: the obverse side, the Crown of King George Sixth

PREMIER PECKFORD:

surmounted by a Newfoundland stag caribou, baying, is centered over the Royal Cypher "G.R.VI". The entire motif is surrounded on the outside rim by the words 'Newfoundland Volunteer Service Medal 1939-1945'; and the reverse side -

SOME HON. MEMBERS: Oh, oh!

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

PREMIER PECKFORD: May I continue on without being interrupted?

and on the reverse side the central figure of Britannia representing the mother country of the Commonwealth is shown being stalked by beasts of prey represented as two male lions symbolic of the threat of the enemy. Britannia is protected by a stylized scallop shell suggesting Newfoundland's heritage and contribution to the final victory. The medal is fitted with a bar suspended from a ribbon of the following colours: the middle two-thirds of the ribbon appear in deep claret trimmed on the outer edges with a narrow band of dark blue followed progressively by equal bands of white and red; this latter colour forming the outer edges of the ribbon.

That is the totality of the act and covers off, I think, all the parts of it.

So, Mr. Speaker, on behalf of this side of the House and on behalf of the government, we are very proud of this initiative that we have taken and now its fruition, to see it finally become a reality. It has taken a long while because we had to get a lot of the things minted, the medals minted at the Royal Mint. It cost us well over \$100,000 on that and then, secondly, there was the added problem later with additional individuals who had served in other areas during the Second World War, like the Merchant Marine, who were not covered by this act

PREMIER PECKFORD: who will now be covered separately and medals will be minted and the time found to do that and to make the appropriate awards to those individuals as well as to the ones that we are doing it for today. Obviously, it is a timely time to do it for a whole bunch of reasons today, some of which the Leader of the Opposition (Mr. Stirling) went into. I think we all recognize the role that the members of the Legion played in the forces in the Second World War and the contributions they made. It is interesting to note that the Sergeant-at-Arms served in Italy and North Africa as a sergeant and, therefore, we should recognize the gentleman who formally carries the Mace from time to time, he is a gentleman of that. Now, here is the medal itself, Mr. Speaker, here is - I suppose I have to table it now - here is the medal itself and the ribbon and we can table it, as part of the act so that everybody has a chance to see it.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, it is with a great deal of pride and pleasure that I move this piece of legislation and hope that in the not too distant future we can do likewise for the other individuals who are not covered under this act, and trust that the members of the Canadian Legion and the volunteers who will receive this medal will wear it proudly, and better late than never. We only hope that those people who will not be around to receive it, who were



PREMIER PECKFORD: killed in the war or who were deceased since, that their relatives will wear it proudly and be proud of the contributions made by their people in the Second World War.

I move second reading and trust that, therefore, this bill will, this day, in the next three or four minutes, become the Law of the Province of Newfoundland and Labrador. X

SOME HON. MEMBERS: Hear, hear!

On motion, a bill, "An Act Respecting The Award Of Medals To Veterans Of The Province Who Volunteered To Serve In The British Imperial Forces During The Second World War", (Bill No.90) read a second time.

MR. SPEAKER: Is it agreed that the bill not be referred to a Committee of the Whole House but now be read a third time by agreement?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Agreed.

Those in favour 'aye'

HON. MEMBERS: 'Aye'.

MR. SPEAKER: Carried.

AN HON. MEMBER: No Committee?

MR. SPEAKER: It was by agreement, I think, by agreement not to refer the bill to Committee.

On motion, bill No. 90 read a third time, ordered passed and its title be as on the Order Paper.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Mr. Speaker, I now move that the House resolve itself into Committee of the Whole.

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

MR. CHAIRMAN (Baird):

Order, please!

We are now discussing the resolution on the gasoline tax. The hon. House Leader has twenty-nine minutes remaining.

MR. NEARY:

Who has twenty-nine minutes?

MR. CHAIRMAN:

The hon. House Leader, who

adjourned the debate.

MR. MARSHALL:

Mr. Chairman, I do not need twenty-nine minutes. I will just get up and say that I would hope that this bill that has been - this matter that is before the Committee, the resolution that is before the Committee has been debated, as far as, I am sure, everybody knows, completely, over and over again completely, several times, as a matter of fact, and I would just hope, Mr. Speaker, that the measure could pass and we could get on and make some progress in the House.

AN HON. MEMBER:

Hear, hear!

MR. MARSHALL:

Question?

MR. CHAIRMAN:

Is the House ready for the

question?

SOME HON. MEMBERS:

No.

MR. WARREN:

Mr. Chairman, I hope not to take too much time, probably about five or six minutes on this bill.

MR. CHAIRMAN:

The hon. the member for

Torngat Mountains.

MR. WARREN:

Mr. Chairman, I am surprised that the hon. the Minister of Rural, Agricultural and Northern Development (Mr. Goudie) has not gotten up and spoken against this 22 per cent increase in gasoline tax.

Now, Mr. Chairman, the reason

I am surprised is that I am sure the Minister of Rural, Agricultural and Northern Development is as much concerned about Labrador and its people as I am.

MR. WARREN:

Mr. Chairman, I think we should realize that this bill will have more effect on the people living in Labrador than it will on any other people in this Province.

Now, Mr. Chairman, the only way to travel into Labrador for eight or nine months of the year is by aircraft.

MR. WARREN: Mr. Chairman, by this 22 per cent per gallon of provincial tax being held on a gallon of gasoline it means that EPA, Labrador Airways, Newfoundland Air Transport are going to have to increase their fares.

MR. TULK: Up go the fares.

MR. WARREN: Now, Mr. Chairman, here we see a minister of the Crown who represents Labrador - the member for Labrador (Mr. Goudie) we call him - who has not gotten up and sort of spoken against this bill and we are going to see air fares skyrocketing in Labrador and it is going to affect every single person in Labrador, Mr. Chairman. In fact, Mr. Chairman, just to give you an example, I received from the minister a few days ago, concerning air freight on goods and services going into the coastal communities, Mr. Chairman, on a fifty pound bag of onions, which is astronomical, it is \$47.50 for one bag of onions going from Goose Bay into the community of Postville - \$47.50 air freight, Mr. Chairman.

Now, with this increase, Mr. Chairman, in gasoline, well that price is going to rise. On a fifty pound bag of carrots, Mr. Chairman, the freight is \$47.50, almost ninety-five cents a pound freight. So, Mr. Chairman, Labrador Airways, which is the carrier for these goods - that means that once this bill is proclaimed the people along the Coast of Labrador, who are buying goods from the stores that are operated by the minister's department, and the minister being part of this government okayed this 22 per cent, we are going to see those goods - instead of selling a dozen eggs for \$3.07, as the minister's department is selling them in Makkovik today for, those eggs will probably sell for \$3.50 a dozen.

And, Mr. Chairman, here is St. John's, you can buy them for \$1.50. So, we can see that even the minister did not realize what a burden, what a burden this 22 per cent will have on the people living in Labrador.

MR. WARREN: I find also, Mr. Chairman, that this government has not really kicked the federal government that much for the rising price of oil and gas, they have not kicked the federal government that much. In fact, I do not think they kicked them very much at all and it is unusual. Now, Mr. Chairman, I know the reason why, because they know we can get money from the ordinary people of this Province. That is the way that we, the provincial government, by charging 22 per cent, we can get money from the ordinary people of this Province.

Mr. Chairman, it is not the businessman who is going to suffer, because the businessman can write off these gasoline taxes in the name of his business. But, Mr. Chairman, it is the ordinary 'Joe Blows' on the street, the ordinary 'Toms' and the ordinary fellows around town and around the outports who have to use a vehicle or an outboard motor, those are the people who really suffer with this 22 per cent on gasoline. Now, Mr. Chairman, I believe the government should reconsider this 22 per cent and go back to its

MR. WARREN:

original twenty-seven cents per gallon. And that is about all I have to say, Mr. Chairman, on this resolution. I am definitely surprised that the government does feel it is necessary to bring it forward, and I am surprised that the Minister of Rural, Agricultural and Northern Development (Mr. Goudie) has not gotten up and defended it or voted against it.

On motion, resolution, carried.

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

MR. CHAIRMAN (Baird): It is moved that the Committee rise and report progress.

MR. MARSHALL: No, Mr. Chairman, it is not moved. I want to call Motion - while we are here in Committee now and we are making such great progress, I want to call Motion No. 2 which is Bill No. 79.

MR. CHAIRMAN: Motion No. 2, Bill No. ~~79~~.

RESOLUTION:

That it is expedient to bring in a measure further to amend The Loan And Guarantee Act, 1957, the Act No. 70 of 1957, to provide for the advance of loans to and the guarantee of the repayment of bonds or debentures issued by or loans advanced to certain corporations.

MR. CHAIRMAN: The hon. House Leader.

MR. MARSHALL: Now, Mr. Chairman, again this is another resolution to introduce a bill pertaining to financial measures that were introduced by the Minister of Finance (Dr. Collins) in his Budget Speech. And this is Bill No. 73 and the amount of loan that has been - it is the same as was in the budget really, but I have got to do a little bit of explanation on it. The amount that we are seeking is-

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MR. MARSHALL: authority to borrow \$150 million.  
MR. NEARY: Bill No. 79.  
MR. MARSHALL: No, it is Bill No. 73. I am sorry,  
No. 79 it is, yes.  
MR. NEARY: But that is (inaudible).  
MR. MARSHALL: Yes, I am sorry - no, No. 73 we  
are doing, the loan bill.  
MR. NEARY: You called 79.  
MR. MARSHALL: Yes, well I meant to - I might  
have said 79 but I also said the loan bill, Mr. Chairman.  
That is what I meant to call anyway. Motion 1 is a loan  
bill. We are going to leave the Loan and Guarantee Act  
on the Order Paper for the Fall session, in the hopes that  
there will be -  
MR. CHAIRMAN (BAIRD): I did say ~~Bill 79~~ but it is Bill  
73.

RESOLUTION:

That it is expedient to bring in a  
measure to authorize the raising from time to time by way of  
loan on the credit of the province the sum of one hundred  
and fifty million dollars (\$150,000,000.00) and such  
additional sum or sums of money as may be required to  
retire, repay, renew or refund securities issued under any  
Act of the province.

MR. MARSHALL: No. 73, yes, Mr. Chairman, thank  
you. I do not know whether you confused me or I confused  
you but either way. But anyway, Mr. Chairman, it is \$150  
million. The reason for this bill, I might say, is that this  
was a bill - and I have to point it out - that this was a  
measure brought in when we amended the Financial Administration  
Act back in 1972. Before that time there was no need of  
legislative sanction to borrow. Borrowing could be done  
by the Lieutenant-Governor in Council for any amount and  
we thought that undesirable so we changed the act, the  
Financial Administration Act, to require the bringing in

MR. MARSHALL: of a loan bill. And this is exactly what that is here. In the first place, we did it because it affords a check on the Cabinet, of course, as to its borrowing. It forces the Cabinet to come in and inform the public, as we are doing now, as to the amount which we are going to borrow and the reason we are going to borrow that amount. That is the first thing.

And the second thing is that we feel that the borrowings in this Province are of such import that they should - the Budget Speech goes through with a lot of information involved in it, but we feel that the amount that has to be borrowed year by year demands a certain amount of attention to be highlighted to a certain degree. So we will bring it forcibly to the attention of the public what is being borrowed.

The amount that we are seeking to borrow is \$150 million.

MR. NEARY: What is the amount now?

MR. MARSHALL: This is the bill, \$150 million. The total borrowing requirements of this Province this year, Mr. Chairman, are \$259 million. Now, under the Financial Administration Act, you do not have to get authority for Canada Pension borrowings or Government of Canada borrowings. Neither do you have to get authority for redemptions and sinking funds.



MR. MARSHALL:

The reason for that, particularly with redemptions and sinking funds is, of course, what you are doing there is you are borrowing to pay for something that has already been voted in past Legislatures.

So the total borrowing requirements of the Province this year are \$259 million. If you deduct from that the \$51 million which we secure from Canada Pension and Government of Canada sources, we get \$208 million. The redemptions and sinking funds this year are going to be \$113 million, which is going to need \$95 million and we have added to that, Mr. Chairman, an amount of \$55 million to provide a certain degree of flexibility which is necessary in order to provide, if there is an opening in the bond market, that you can borrow at an advantageous time.

So the total amount we are asking is \$150 million. And, Mr. Chairman, I do not want to delay the Committee any more than is necessary, but I do wish to draw attention to the fact that the government is rather proud, the Peckford administration is rather proud of its record, particularly last year, with respect to the financial administration of this Province where you can see that we had to borrow less than was authorized, as the Budget Speech shows, and I will not go into those great details.

Generally speaking, then,  
Mr. Chairman, this is a resolution to authorize the borrowing of \$150 million as was announced in the budget. X

MR. NEARY:

Mr. Chairman.

MR. CHAIRMAN (Baird): The hon. the member for LaPoile.MR. NEARY:

X You would not know to listen to the hon. gentleman, Mr. Chairman, but this bill was trivial

MR. NEARY: and insignificant.

MR. MARSHALL: Oh, no, it is a great step forward.

MR. NEARY: Yes, it is a great step forward, alright. It is just contrary to what the hon. gentleman said when he was on this side of the House. The hon. gentleman when he was in Opposition repeatedly stated that under no circumstances should the authority to borrow be removed from the floor of the Legislature, from the House of Assembly, and put into the hands of the Cabinet. That is what the hon. gentleman advocated when he was on this side of the House, and that is correct. But now, Mr. Chairman, who is the minister who introduced this bill? None other than the same hon. gentleman who told the people of this Province on more than one occasion that this authority should not be given to the government. What the minister is doing now, what the government is doing, is asking the House for authority to borrow at any given time, \$150 million without any reference to the Legislature.

AN HON. MEMBER: Oh, what garbage!

MR. NEARY: Mr. Chairman, what garbage! This is reference now. When this bill is passed, this will be the law of this Province until such time as we get a new administration who rescinds the bill.

MR. CARTER: Where do you think you are now?

MR. NEARY: Well, Mr. Chairman, obviously, the gentleman who just commented is denser than I thought he was. What this bill is doing is removing the power of the purse, removing the authority to borrow from the Legislature and putting it in the hands of the Cabinet, that is what it is doing, forever and ever unless some future administration amends the Act.

Mr. Chairman, I am against the principle of this bill and I do not intend to vote for it.

MR. CARTER:

You are against everything.

MR. NEARY:

Well, I certainly was not against allowing the Public Accounts Committee public hearings being televised and allowing the microphones in. I was not against that. I did not follow the instructions of my Leader. When he pulled the string, I did not jump -

MR. TULK:

Who did that?

MR. NEARY:

- as the hon. gentleman did and objected to the television cameras and the microphones being brought into the Public Accounts meeting.

AN HON. MEMBER:

Who did that?

MR. NEARY:

Pardon?

AN HON. MEMBER:

Who did it?

MR. NEARY:

The hon. gentleman jumped. When the Premier snapped his finger, the hon. gentleman jumped -

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

- and came down like a little lackey, like a little pup, came down and said no more television cameras or no more microphones allowed into the Public Accounts Public Hearings. The hon. the Premier gave him his instructions, the same as he has given the instructions to the member for Harbour Main-Bell Island (Mr. Doyle) and to the member for Baie Verte (Mr. Rideout) now, to dig in on the logs of the airplanes. And so if I was that hon. gentleman I would not make any more comments about being against everything. I am certainly against giving this government the authority to borrow \$150 million from now on without any reference to the Legislature, or any government for that matter. If the hon. gentleman had any courage, he would stand up and object to it, putting the authority in the hands of this crowd who have mismanaged, so grossly mismanaged this Province for the last ten years, to give them now, give them the authority. Without having to come -

MR. CALLAN:

You never asked.

MR. NEARY:

- without having to come to the Legislature to ask for permission to borrow \$150 million, they can now go out and borrow it at will.

The power of the Legislature, Mr. Chairman, is the power to control the public purse. That is the only power we have, and they are whittling that away. That is the only reason the Legislature exists, really. We, incidentally, pass some legislation and make all kinds of speeches. It is more of a talk shop I suppose than anything else - pass legislation. But the main purpose of Parliament and of the Legislature, is

MR. NEARY: to control public spending and the public purse.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: And the minister himself who just introduced this bill, was one of the strongest advocates of that when he was on this side of the House. I have heard him at it since he went over on that side. But now, all of a sudden, all of a sudden, the government has been cleansed and purified and they do not need to come to the House of Assembly. They are going to remove this nuisance, this pain in the neck of having to go to the Legislature every time they want to borrow, This inconvenience, this nuisance, they are going to remove that now and they are going to give themselves the authority to borrow \$150 million whenever they feel like it, without any reference at all to the Legislature.

I would not mind it so bad, Mr. Chairman, if this administration and the Tories, since they took over in this Province ten years ago, if they had a good track record. Well, what kind of a record do they have of borrowing and spending in this Province, Mr. Chairman?

MR. MARSHALL: Marvellous.

MR. NEARY: Well, all we have - yes, marvellous, the hon. gentleman says. Well, all we have to do is look at the biggest blunder in Newfoundland's history, the biggest blunder in Newfoundland's history, the nationalization of Churchill Falls and the kicking out of this Province of BRINCO, the biggest blunder. That blunder so far has cost the Newfoundlander taxpayer a half a billion or \$500,000,000.

And, Mr. Chairman, to make matters worse, the government did not accomplish what it set out to do. I do not know if members on either side of the House are aware of it or not, that the government wanted to get away from Quebec

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MR. NEARY: Hydro the control of the headwaters of the Upper Churchill so that there would be no dependence on Quebec Hydro when it came to developing the Lower Churchill, they would not

MR. NEARY: be able to turn off and open the valve of the main reservoir, the water that flows into the Lower Churchill whenever they felt like it. And did they get that? Oh, the hon. gentleman knows they did not get it. I do not know if the backbenchers or the ministers on the other side know whether or not Newfoundland got that right back. Well, I can tell the House now they did not get that right back. Quebec Hydro still controls the headwaters of the river flowing into the Lower Churchill. Quebec Hydro still has that control, even though this government nationalized Churchill Falls, and even though this government told the people of this Province they had to do it in order to get control of the rivers and streams that had to do with the development of the Lower Churchill, they did not get it. Quebec Hydro still has that right.

Now, Mr. Chairman, I am going to say something about that right that has not been said in this House before. And I want hon. gentlemen to pay attention to what I am saying.

AN HON. MEMBER: (Inaudible) doing.

MR. NEARY: The hon. gentleman always listens to what I am saying, because I have no doubt that he will agree with what I am going to say.

Mr. Chairman, it has been said over and over again in this Province by government spokesmen that the Government of Newfoundland negotiated a contract with Quebec Hydro for the sale of electricity on the Upper Churchill. That is an outright lie, a downright lie. That is how the big lie, the Hitler technique has been maintained in this Province by this administration. The government did not negotiate a contract with Quebec Hydro for the sale of the electricity on the Upper Churchill, that is a big lie. And I hope the gentlemen and ladies up over my shoulder will give that statement the same publicity as they give statements from the Premier and from

MR. NEARY: ministers in the government who say that the Newfoundland Government gave away the power on the Upper Churchill. That is a big lie, Mr. Chairman. The Newfoundland Government gave nothing away, because the Newfoundland Government did not negotiate the contract.

What happened was this, Mr. Chairman. Here is what happened. This legislature, Tories on this side, Liberals on that side, the government of the day brought in an act, brought in a piece of legislation to give BRINCO and Churchill Falls - remember, the Churchill Falls Corporation is merely a subsidiary of BRINCO. There was a piece of legislation brought into this House to give BRINCO the right to develop the Upper Churchill. Members on both sides of the House debated that piece of legislation and it was carried. The legislation was voted on and it was carried by a unanimous decision of this House. Members on this side, Tories, voted for it, members on that side voted for it. And at that time, nobody could foresee, not even the Tories of that day, as smart as they were or as smart as they thought they were, they could not foresee that oil was going to jump from \$1.65 a barrel up to almost \$40.00 a barrel. And that is why Quebec got this bonanza from the Upper Churchill.

Now, what happened, Mr. Chairman, what happened when the legislation was passed? It gave BRINCO the right to develop the Upper Churchill and to sell power from the Upper Churchill. That is what it did. As far as the Newfoundland Government was concerned, and the legislature was concerned, the matter then ended. BRINCO was given the authority so the legislature,



MR. NEARY: the government had no more to do with it once the bill was passed in this House.

AN HON. MEMBER: They voted for it too.

MR. NEARY: Both sides of the House voted for it. It was unanimous, Liberals and Tories alike. And now they have the face, Mr. Chairman, to make statements to the people of this Province that the government gave away the Upper Churchill, gave away the power of the Upper Churchill, when they themselves voted in favour of that Act. It was the Legislature, not the government. It was the Legislature, the people's House that gave BRINCO that authority, voted on by Liberals and Tories alike.

MR. CARTER: Liberal policy.

MR. NEARY: Mr. Chairman, do I have to repeat that again? It was not the government. Governments do not make laws, it is the Legislature that makes laws. And I wish the editorial writers and the people up over my left shoulder here would -

MR. CARTER: (Inaudible).

MR. NEARY: They are listening. Do not worry, they are listening - that they would let that sink in. Governments do not make laws, legislatures make laws, and in this case the Legislature made a law giving the authority to develop the Upper Churchill to BRINCO. Now, who was BRINCO? BRINCO, Mr. Chairman, was made up of some of the most successful industrialists and businessmen in the world -

MR. MOORES: That is right.

MR. NEARY: - including the Rothschilds. And they went out and in their wisdom they were the ones who negotiated a contract with Quebec Hydro to sell the power. BRINCO was the culprit. As successful as they were, most of them representing the most successful

MR. NEARY: business corporations on the face of this earth, why even they could not foresee that oil was going to jump from \$1.65 to almost \$40.00 a barrel because, if they had, they would not have signed that contract.

MS. VERGE: (Inaudible).

MR. NEARY: I hope the hon. Minister of Education (Ms. Verge) is learning something. I know, Mr. Chairman, my words will fall on deaf ears. They do not want to hear that, they do not want to hear the truth. Maybe I am just telling it for the sake of putting it into the history books. Maybe my words will fall on deaf ears. It will be recorded in Hansard, I hope, and some day students of history, when they are researching Hansard, will come across it and say, 'Hold on now, just a second now, we thought for ten years in this Province - we heard the government say that the Newfoundland Government gave away the electricity to Quebec Hydro. That is what we were told'. And remember, Mr. Chairman, this government is in now ten years and young voters in this Province were ten years old when this government took over, and all these ten-year olds at that time had been hearing - now they are of voting age - all they have been hearing is that the government gave away the electricity to Quebec Hydro.

MR. CARTER: That is right, \$750 million a year.

MR. NEARY: Who gave it away?

MR. CARTER: Joey, Joey Smallwood.

MR. NEARY: Mr. Chairman, after just giving the House a lecture - I mean, I am right. My words are falling on deaf ears, none so deaf as those who will not hear.

MR. CARTER: That is a lie.

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MR. NEARY: That is a part again, Mr. Chairman,  
of the big lie that is being

MR. NEARY: pushed in this Province. Mind you, politically it gets the government all kinds of political points, political brownie points, but, Mr. Chairman, I am amazed that the intellectuals and the journalists have not picked it up, have not picked the government up on this. They just let them go on day in and day out, week in and week out, year in and year out, for the last ten years perpetuate the big lie in this Province. In other words, if you tell a lie long enough people will believe it. Even some of the crowd on their own side are beginning to believe it. That was the Hitler technique. That was how Nazism flourished, they believed in telling the big lie. If you tell a lie long enough, you could almost persuade yourself that it was true. I have just stated the facts; the facts speak for themselves; it is history. But, no, Mr. Chairman, do you think they will -

MR. MORGAN: Tell it again.

MR. NEARY: No, well, if it was not such a warm day I would tell it again. But the point I want to make - and I had to give a little preamble there to give some background of the development of the Upper Churchill. Then, Mr. Chairman, when BRINCO had developed the Upper Churchill in 1973 and 1974, they had put together a package for the development of the Lower Churchill, and they had put together a consortium of American and Japanese interests to build an aluminum plant in Labrador at Lake Melville. That is seven years ago, seven years ago! And what is this government talking about today? What were the headlines in the paper the day before yesterday denied, by the way, by the Minister of Agricultural, Rural and Northern Development (Mr. Goudie)?

MR. CARTER: What paper?

MR. NEARY: All the papers - on the radio and television - what were the big headlines? The big headlines were that the government were now hopeful they were going to get an aluminum smelter for Labrador.

MR. TULK: Not again.

MR. NEARY: Not again.

MR. TULK: After seven years.

MR. NEARY: It seems to me I have heard that song before.

Mr. Chairman, seven years later - we had the deal in 1973 and 1974. We were on the hitch for the development of the Lower Churchill and the aluminum plant for Lake Melville when, lo and behold, what happened? This government nationalized Churchill Falls Corporation and kicked BRINCO out and when they did that they killed two industries. They killed the development of the Lower Churchill, which at that time to develop it would have cost \$500 million, to develop it at that time. The cost of developing it today is \$4 billion or \$4,000 million. Let me repeat the figures again just in case they went over the head of the old savory king over there. When you speak in this House, Mr. Chairman, you have to speak to the person with the lowest intelligence, and if he understands it then everybody else will understand it, and that is why I am zeroing in on the member for St. John's North (Mr. Carter). If he understands what I am saying, then everybody in the House will understand it. What I just said was this - I will repeat the figures - that back in 1973 and 1974 when BRINCO had put forward a plan to develop the Lower Churchill and build an aluminum plant, to get the Japanese and American firms to build an aluminum plant in Lake Melville in Labrador, the cost of developing the Lower Churchill at that time was

MR. S. NEARY:

\$500 million. Some say it could have been done for \$300 million but I am using the high figure of \$500 million. How much today? As a result of the delays, blunders, procrastination on the part of this administration, how much is that development today? It is \$4 billion or \$4000 million and that is pretty expensive electricity. And, so when they nationalized Churchill Falls Corporation and kicked out BRINCO, one of the best corporate citizens ever to come to this Province, they killed the development of the Lower Churchill and they killed the aluminum plant for Lake Melville. Now, Mr. Chairman, in addition to that Quebec Hydro still have control of the headwaters flowing into the Lower Churchill. Even though they have spent \$500 million of taxpayer money nationalizing Churchill Falls, not only did they lose the smelter and probably 2500 to 3000 jobs in Lake Melville and use for the electricity of the Lower Churchill, not only did they lose that but also did not get control of the headwaters of the Upper Churchill. Quebec Hydro still has that under the contract between BRINCO, Churchill Falls Corporation and Quebec Hydro, still have it. So, what did we accomplish when we nationalized Churchill Falls? Not a thing except we put an extra burden on the taxpayers of this Province, a burden of \$500 million. Almost the equivalent of the public debt after twenty-three years of Liberalism. The public debt was only up around \$750 million. It is after costing \$500 million since this crowd took over, to nationalize Churchill Falls Corporation. What a disgrace, Mr. Chairman. They should hang their heads in shame. Now -

MR. WARREN:

(Inaudible)

MR. NEARY:

- what was I going to say about the headwaters of the Upper Churchill? Well, Mr. Chairman, when this

MR. NEARY: House passed the legislation giving BRINCO the right to develop the Upper Churchill I do not believe-and this is the first time this has been said in this House. I do not know whether it will be the last because I will say it again, if nobody else says it I will say it.- I personally do not believe that BRINCO had the authority under the legislation to give Quebec Hydro control of the headwaters of the Upper Churchill. I think they went far and beyond the mandate, they went far and beyond the terms and conditions of the legislation that was passed in this House. They had no right to do it. They should not have done it, in my opinion, and I was here for all of the debates that took place as well as -

AN HON. MEMBER: And it all blew through.

MR. NEARY: Pardon.

AN HON. MEMBER: And it all blew through.

MR. NEARY: Mr. Chairman, that did not go through because that is not a part-and I have read the legislation. No where in that legislation does BRINCO have the right or the authority to give Quebec Hydro control of the headwaters of the Upper Churchill. And they should not have done it. And if I was this government, one of the first things that I would have done,

MR. NEARY: I would have determined, I would have put the legal beagles to work to determine whether or not under the legislation BRINCO had that right. I was shocked, Mr. Chairman, I was amazed and I was shocked, and maybe hon. members do not care whether I was shocked or not, but I was shocked when I heard that Quebec Hydro had that authority, Quebec Hydro were given that as one of the terms of the contract. I am sure that other hon. members were equally as shocked as I was. Mr. Chairman, they should have not been given that right. That right was not included in the terms and conditions of the legislation, of the law that was passed in this Province and voted on by members on both sides of the House. And that is what the government should address itself to immediately, Mr. Chairman. They should address themselves to that at once. They should put the legal people to work in the Justice Department to find out if BRINCO had the right, had the authority, the legal right to do that. And I feel they -

MR. STIRLING: (Inaudible) themselves.

MR. NEARY: Pardon?

MR. STIRLING: And now they are suing themselves.

MR. NEARY: And now they are suing themselves.

I do not wish to delay this bill, Mr. Chairman. I have a few more points that I would like to make, but I have to do a little chauffeuring. If this bill is still being debated when I get back; there is another point or two that I want to make about it. But I made the main point I wanted to make now about Churchill Falls and about the aluminum plant. And I hope, Mr. Chairman, that my remarks will get equal coverage, they will get the headlines on television and radio and in the newspapers, as much as if the President of the Council (Mr. Marshall) said them or if the Premier said it.

MR. MARSHALL: We all get turns in that.

MR. NEARY: No, we do not all get equal time. We do not all get equal time, Mr. Chairman. So I hope my remarks



MR. NEARY: will, the facts, the truth, Because, Mr. Chairman, what I have said in the last ten or fifteen minutes is true. It is factual. No exaggeration, nothing put on, nothing taken away, these are the facts. And if the press of this Province are not interested in hearing the facts, then I would say, Mr. Chairman, they are doing a disservice to the people of this Province because the people, the people - the eyes and ears of the people are the press and they expect the press to report the truth and report facts, And I have just given the facts and they are indefensible, they cannot be denied by anybody in this House. They cannot be denied.

Now, members can get up and they can twist and turn and distort and they can confuse the issue, and they can try to make little political Brownie points, but there are the facts. And I hope I am not just talking now for the sake of having these matters recorded into Hansard, or put into the history books, which is not a bad idea by the way, I hope that those responsible for sending out information from this House today will, for the first time since this matter has come up in ten years, and we have sat back and we have listened to the propaganda, the propaganda - and the hon.

MR. NEARY:

gentleman, no wonder he smiles because it has been working for them. It has been working for them, the propoganda has been working.

MR. CALLAN:

The big lie.

MR. NEARY:

The big lie has been working.

The Hitler-like strategy and policies have been working.

AN HON. MEMBER:

You should see the papers.

MR. NEARY:

And they love it when they can manipulate and con the press, they love it. No wonder they sit there and smile and say, 'Oh, no matter what I say' - that is what they are saying themselves now - 'No matter what he says, the press are not going to pay any attention to it because we will get up now and we will get back to our old strategy of blaming it on Joey and saying the government gave the power away', when in actual fact - if nobody else knows the difference of it - the President of the Council (Mr. Marshall) knows the difference, the Newfoundland Government gave nothing away.

Mr. Chairman, these are the facts and I hope they will be reported as facts, not fiction. But what the hon. gentleman is going to stand up and say now will be pure fiction, pure politics. How long more, Mr. Chairman, can they continue to con the people of this Province? It is a con game; it is a snow job; and, Mr. Chairman, at least now I am going to start fighting back, and I will keep at it until the truth wins out in this particular matter.

MR. CHAIRMAN (Baird):

~~Shall the resolution carry?~~

Shall Clause 1 carry?

MR. BENNETT:

Mr. Chairman.

MR. CHAIRMAN (Baird):

The hon. member from St. Barbe.

MR. BENNETT:

Thank you, Mr. Chairman.

I would certainly like to have a few comments, Mr. Chairman. For those who remember and I am, I guess - well, I am not one of the senior members of the House of Assembly - I am most certainly, Mr. Chairman, among the most senior men in the House of Assembly. I have been around long enough to remember. And while this is a day to remember, for other reasons it is certainly a day, also, that I can remember development on the legislative progress as well as development progress and progress in many spheres as it relates to lifestyle in Newfoundland. I am old enough to remember and, Mr. Chairman, when I see a piece of legislation giving any government authority to borrow \$150 million without question, in my opinion, it is about time that a rein, a checkrein, were put on the legislation, on the government that would even expect to be able to do that, even if the Opposition approved. Similarly, to other bills that have gone through - and I realize that we have not got the vote that can hold up the legislation. Once it goes to the vote we are overpowered, it will go through anyway, but this kind of legislation, \$150 million, Mr. Chairman, shall not go through with my blessing. I doubt very much if the hon. gentlemen, ladies and gentlemen on government side, found themselves in Opposition, I doubt very much if they would want to give any government

MR. BENNETT: in power this kind of a free hand, to borrow and spend money freely.

MR. STIRLING: Are you going to tell us why you made that (inaudible).

MR. BENNETT: I have said so many times, and I would like to repeat, and I think my hon. colleague for LaPoile (Mr. Neary) suggested, that if the government were better able to manage the affairs of the Province, money management of the Province, then we would probably not be so reluctant to hold them up on such bills as this. But when we realize the extravaganza that has happened in the last ten years, the Provincial debt that so few people in the Province seem to be aware of, I think it is time, Mr. Chairman, the media, especially, should start to tell the real story to the people of this Province. They might be doing a very good job at the moment, but there are a lot of things that get missed. and I would most certainly wish that the media would tell it as it is, and most certainly, Mr. Chairman, I would like to see a progress report made up of this government's successes in the last ten years.

MR. STIRLING: It would not take very long, it would take them about a minute and a half.

MR. BENNETT: I will -

MR. MARSHALL: (Inaudible)

MR. BENNETT: The successes in ten years.

SOME HON. MEMBERS: Oh, oh!

AN HON. MEMBER: A nice try.

MR. BENNETT: My hon. colleague for LaPoile, and I have to agree, yesterday suggested that he would chalk up any one year of the Smallwood administration against the ten years of the PC administration. He would chalk it up.

SOME HON. MEMBERS: Hear this! Hear this!

MR. BENNETT: 333, that is only a quarter, Mr. Chairman, of the successes of that administration.

When I started to make my comments, I had to remind hon. gentlemen that I am old enough to remember when we did not have schools, roads, hospitals, we did not trades and technology schools so that our young people could become educated and travel abroad and feel independent and get themselves into gainful employment. I remember those days, I remember them all too well. But in the period of the Liberal administration, that went from 1949 until 1971-1972, there was more progress made in this Province, at lesser expense to the taxpayer, than in all the history of Newfoundland since day one. There were roads built, there were hospitals built, there were trade schools, all kinds of assistance to fishermen in stages and wharves, oh, a lot of the

MR. BENNETT:

area mind you where great sums of money came from the federal level to aid in the fishery development. And as I travel through my district I see where there has been great development, federal dollars in my district. Mind you, some of it is provincial. But most of it, Mr. Chairman, with all due respect to those in power today, with all due respect most of that money was spent before they came into power, most of that development was done. And we still did not have any substantial provincial debt. We had a very insignificant provincial debt as compared to the development and the services that were provided to the people in this Province.

Now, this government wants a free hand to go out and borrow, ad lib, \$150 million any time and every time they feel like going out and borrowing that money, just to carry on the administration of the Province. They continually increase taxes. They continually expect more from Ottawa. They continually downgrade services. This government continues to downgrade services. They continue to increase taxes. They continue to try and gouge and flog an administration that did so much. And, Mr. Chairman, every hon. member in this House of Assembly should reflect back to years before 1949 and be fair, take a look at what happened when we did not have such legislation as this, \$150 million ad lib, ad hoc borrowing, that this government expects to have given to it.

MR. TULK:

They are over there laughing that is how concerned they are.

MR. BENNETT:

Very little concern for the average person of the Province, very little concern for services, very little concern for furthering the education of our young people so they can face a future with confidence. Borrow more, more freedom to flog the work force, the tax structure, increase the taxes. No mention of increased jobs

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MR. BENNETT: or job opportunities, especially in rural Newfoundland, which is the lifeblood of this Province. The lifeblood of this Province, the development of this Province hinges primarily on rural Newfoundland. While the tax structure, the tax flow to the Treasury might be substantial in a city like St. John's, we certainly need rural Newfoundland,

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MR. T. BENNETT: with development and the exploitation of our resources, like fishery, mining, forestry and all the things that are new dollars. But so few of our tax dollars seem to find their way back into rural Newfoundland for development, especially in areas where this government feel they have not got much expertise. They profess to have expertise in the fishery and in my district, in my district alone, the expertise that they display is building two ice making machines in one town where there is not fish plant.

MR. CALLAN: That is right.

MR. BENNETT: And building two fish plants twenty miles down the street where there is no power, no electricity. This is how we are developing our fishery. It is about time that some real attention was given to the real needs of the people of this Province. Get off this pie in the sky. A few years down the road we might very well come into some cash flow from oil industry, but in the interim, in the meantime, Mr. Chairman, the people of this Province need to have jobs provided and they do not need extra freewheeling of a government that got no concern or very little concern for the development of the Province, in rural Newfoundland. And to me it is disgraceful for any government to expect to get this kind of a freehand to borrow \$150 million, chalked up against the existing exorbitant debt of this Province without first coming to the Legislature to have it approved. It is only ten years ago that this government took power and at that time they came on with a slogan which said, 'Time for a change'.

MR. BARRETT: A great leap forward.

MR. BENNETT: Now, Mr. Chairman, there has been a fantastic change but not for the better, in my opinion. And like I said when I started to speak, I am old enough to remember.



MR. T. BENNETT: Because I remember Commission of Government days, I remember very vaguely Responsible Government days, I remember the results of Responsible Government days, I remember the Tory days, as they were in the dirty thirties, I remember the development that took place with the Liberal Administration we had in place for twenty-three years. I remember the hospitals, the transportation network, the highroads, the ferries, the wharves and the stages, all the various benefits to our people. I remember when our fishermen did not live in such fear as they do today with losing their gear. I was part of organizations in my district at the time when our fishermen were having great losses to ice with their fishing gear, and it was the Liberal administration who put those fishermen back in the boats without question.

MR. BENNETT: I have asked the hon. Minister of Fisheries (Mr. Morgan) today if there is any legislation in place to accommodate losses our fishermen now incur to their cod traps due to wind and storm or whatever it might be, and our minister, the hon. gentleman comes back and says, 'Well, you know, we have talked to Ottawa about it'. Well, I am not concerned about what his talking to Ottawa is all about, I am concerned about what this government is doing to accommodate our fishermen and our people generally, the backbone of the economy of this Province. It is time this government lived up to its responsibility, lived up to its duties, the obligations for which they were elected. This government is taking money from the people of this Province to run this Province, in their wisdom, and, Mr. Chairman, that wisdom, in my opinion, leaves much to be desired. When I see the extravaganza that

MR. BENNETT:

has happened, the provincial debt that is incurred, the lack of facilities that are being provided, the increased taxation on our people, I cannot see, Mr. Chairman, for the life of me how this government has got the nerve to expect support for the passing of a bill giving this government the right to go and pick up, as it were, \$150 million without question. It is as though they are running their own business. Mr. Chairman, if they ran the government in a manner like their own business and respect it, respect the people's monies like they would respect their own business, they would not have to do this \$150 million bill today, they would have money in the Treasury. They would not have to go out and borrow extra money. If this Province were being run by people who had a clue and people who had the ability and by people - Mr. Chairman, I suspect most provinces borrow and most people borrow, but there has got to be a limit, there has got to be an end to it all. We should borrow, and we do borrow as individuals, in an area to which we can accommodate. But right now this government cannot, in my opinion, afford to borrow, continue to borrow, continue to escalate the existing \$5,600, nearly \$6,000 per capita provincial debt for every man, woman and child.

The water and sewer, Mr. Chairman, had been, primarily, provided before this government took power. Mr. Chairman, on the Northern Peninsula, the area that I know best, and I represent that area, most of the services provided have been paid for by DREE dollars direct from Ottawa. In water and sewerage, through the national park, and through a great ribbon of asphalt right up to St. Anthony from Deer Lake -

MR. BARRETT:

The only part of the road not paved is the national park.

MR. BENNETT:

- ninety per cent federal funding.

MR. BENNETT: There is seven miles not paved in that area. I drove over that a week ago and I shall drive over it again on Friday, hopefully.

MR. ROBERTS: Hear, hear!

MR. BENNETT: I shall be in my district over the weekend and I would like to see all hon. persons in their districts and live up to the obligation for which they were elected. Go and tell the people the story as it is. Tell them that you have to go borrow extra hundreds of millions of dollars, tell them what the provincial debt is, tell them there is no more money for development unless you can get it from the Liberal Government in Ottawa, tell them the progress that was made under a Liberal administration for twenty-odd years.

MR. WARREN: Hear, hear!

MR. BENNETT: No progress. Mr. Chairman, there are a lot of hon. persons in this House of Assembly who would not be here today but for the education programmes brought in by Joe Smallwood's government, the free education. It was a little bit before my time. I had a son, Mr. Chairman, who was

MR. BENNETT: a little extravagant over dollars and I reminded him he should save his money for his university, and he said, 'Oh, Dad, the government will help me. You know, it is free education and I will be paid to go to university because that is a program that was in place by Joe Smallwood's government.' I said, 'Look, son, if we ever get a change in government and you get back to Tory times or we get bad times again, you will need money. Do not depend on - you are going to have to pay for somebody else's education.' And sure enough my words came true. When he went to university, he borrowed money. I helped him myself and he borrowed money to pay for his education. And most certainly, rightfully so, he should - I was in a position, myself, to help the young man acquire his education and he certainly did not need to go to the government even to borrow, let alone have grants. Not every young man in this Province is that fortunate, but my words came true. And, Mr. Chairman, this will be an ongoing struggle for the young people of this Province as long as they have a government in power who mismanage people's funds to the extent that monies have been mismanaged since this government came to power.

We have seen ten years of Tory times added to some prior years of Tory times and they are similar, Mr. Chairman, they are similar. There is no free ride anymore, which everybody accused Joe Smallwood's government of, a free ride to education which I believe in. I believe that every young person should have the right to an education. I believe that every person should have a right to have bread on their tables if they are not capable of taking care of themselves, if they are sick. But, Mr. Chairman, it is not the way that a Progressive Conservative government operates. They flog the tax system for all it is worth. They inflict a higher cost of living. They

MR. BENNETT: expect to get higher loans and higher loans and more freewheeling of cashflow from various avenues like Ottawa and like the tax structure of the Province. They inflict gasoline tax on the people so that they can get extra cashflow without going back to legislation. Mr. Chairman, it is about time this government started to realize some of the progress that was made during the Liberal administration: I know they will never recognize it, they will never accept it, they will never acknowledge it, but it is certainly time that the people in this Province took a look at it, because like I said when I started to speak, while I am not a senior man, I am not a senior person in the House of Assembly, I am senior enough

MR. BENNETT: to remember. I am senior enough to have raised -

MR. TULK: Wake up now 'John'.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: - a family and educate them.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: I am senior enough to have dealt with people and tried to help them. And in doing so, I have gained a lot of help in helping others, and for that I am thankful, I am grateful. But it is more than I can say for the government that we have in place in Newfoundland, They show no gratitude -

MR. TULK: A very possessive man that Peckford.

MR. WARREN: Yes. A good man.

MR. BENNETT: - they continually flog the goose that lays the golden egg, anti-Confederate attacks. Mr. Chairman, I am totally appalled at the way this government gets on, and I most certainly would like to see them change their attitude. I would like to see them change their attitude in total, not only their attitude towards their fellow Canadians -

MR. TULK: The Minister of Education (Ms. Verge) is leaving, she cannot take it.

MR. BENNETT: - their attitude towards their fellow Newfoundlanders.

MR. WARREN: She is in deep trouble.

MR. BENNETT: When I see such write ups as was commented on in Question Period today, letters in The Western Star about how people are being told what streets they should do in their town and who they should hire as engineers to do the job, in my opinion, Mr. Chairman, that is not displaying respect for your fellowman, when you have councils in place in towns as competent and capable as Corner Brook and Deer Lake and you have to go and dictate to these people how they spend the money that is allocated to them. These are competent people. They were elected to office in a similar

MR. BENNETT: manner to the way this government was elected. They were elected and they are doing the job to the best of their ability and still this government, in its lack of wisdom, tried to tell these people how to spend that money in Corner Brook and in Deer Lake. And adding insult to that, they expect people on this side of the House of Assembly to support legislation to give them the freewheeling of \$150 million a shot for them to go out, play politics again, spend money around the Province, which is spent primarily and basically in blatant political expediency.

There are so many prime examples of the way this legislation, this government operates, that I am almost getting ashamed to be associated with government operation at all. Mr. Chairman, I shall not support a bill of this nature, I shall not support this one, and I would be prepared to stay in this House of Assembly, like I said before, forever and a day,

MR. BENNETT: I would be prepared to stay and talk about this, bring it to the attention of the people of the Province. I have heard the hon. House Leader (Mr. Marshall) suggest the Liberals are keeping the House open, blaming the Liberals for keeping the House open. Well, now, Mr. Chairman, I do not mind taking the blame for keeping the House open when it comes to doing the people's business that is of such an important nature as the government having a freehand to go out and grab \$150 million and squander it like is being done. As legislation comes before this House of Assembly, I am prepared to stay and work on it. I will visit my district on weekends and I will debate legislation at it comes before the House of Assembly. I was elected to do that, I am being paid to do that and I am prepared to do that. I am prepared to stay here forever and a day. And as long as the government expects to ram this type of legislation through the House of Assembly, I am prepared to stay here and work on it. Instead of the Liberal Party, instead of this Liberal Opposition being blamed, I suspect the media shall recognize the wisdom of our staying here to try to protect people's rights and give us credit for staying here instead of giving us blame for staying here.

So I hope the hon. gentleman across from me when he next makes—the hon. House Leader (Mr. Marshall), when he next gets the opportunity, instead of suggesting that the Liberal Opposition is keeping the House open for political expediency, I would like that the hon. gentleman should say, 'Well, you know, they are a loyal Opposition. They have a job to do and they are doing it and we give them credit'.

Now, Mr. Chairman, I suppose everybody in the House of Assembly could speak on this bill. I suspect the government will speak in a positive manner, with all the wisdom of their ways, why they should be



July 1, 1981

Tape No. 2955

IB-2

MR. BENNETT:                    given a freehand, should be  
able to trot down to the bank and pick up \$150 million  
and spend it ad lib, spend it the way they see fit without  
question. Mr. Chairman, there is no way

MR. BENNETT: that I could support a bill of this nature, and I do not think my colleagues would be very happy to see this bill passed. I am sure they would not be very happy, but in view of the fact that we have not got the numbers, this will be another display of dictatorship that seems to be encroaching upon this Province and upon this country. I am not very happy with it, Mr. Chairman. I shall not continue to talk about this bill because I hope lots of other hon. gentlemen will want to speak on it. But it is most certainly not with my blessing that I would want to see the government - as a matter of fact, Mr. Chairman, if I were in the government myself, I would not want to be given that kind of a right. In my opinion, Mr. Chairman, that right belongs to the House of Assembly, not to the government.

X  
Thank you.

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

MR. MARSHALL: Motion 4. Bill No. 80.

MR. CHAIRMAN (Baird): Bill No. 80.

MR. MARSHALL: Mr. Chairman, I move that the Committee rise and report progress. We have a procedural thing we have to go through now because, technically, we have to have a message from the Lieutenant-Governor that can only go to the House, see.

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

MR. SPEAKER: The hon. member for Humber West.

MR. BAIRD: Mr. Speaker, the Committee has considered the matters to it referred and has directed me

MR. BAIRD: to report that it has adopted a certain resolution and recommends that a bill be introduced to give effect to same.

MR. SPEAKER: The Chairman of Committee reports the Committee has considered the matters to it referred, has passed certain resolutions and recommend that bills consequent thereto be introduced.

On motion, a bill, "An Act To Authorize The Raising Of Money By Way Of Loan By The Province", (Bill No. 73), read a first, second and third time, by leave, ordered passed and its title be as on the Order Paper.

MR. SPEAKER (SIMMS): With respect to the other bill.

MR. MARSHALL: I think there is a further report.

MR. SPEAKER: Further report, The hon. member for Humber West.

MR. BAIRD: We reported that yesterday.

MR. SPEAKER: I understood there were two motions, two bills?

MR. MARSHALL: The progress I understand, Mr. Speaker, the progress was that the Committee had passed a resolution asking for the introduction not only of the loan bill but also of the gasoline tax bill as well.

MR. SPEAKER: The hon. member for Humber West. Is that correct?

MR. MARSHALL: Yes.

MR. NEARY: Did we pass the gasoline tax?

MR. MARSHALL: Yes.

MR. BAIRD: That was reported. The gasoline was reported on.

MR. MARSHALL: I am sorry, I did not hear it.

MR. SPEAKER: So we are doing that separately.

MR. MARSHALL: Now we read the gasoline tax. On motion, a bill, "An Act To Amend The Gasoline Tax Act, 1978", (Bill No. 86), read a first, second and third time, by leave, ordered passed and its title be as on the Order Paper.

MR. SPEAKER: The hon. Minister of Finance.

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

July 1, 1981

Tape No. 2957

IB-2

MR. SPEAKER (SIMMS):

Order, please!

All rise for a message from His Honour.

This message is addressed to the hon. Minister of Finance:

X  
"I, the Lieutenant-Governor of the Province of Newfoundland, transmit supplementary estimates of sums required for the public service of the Province for the year ending the 31st. of March, 1981, by way of supplementary supply and in accordance with the provisions of the British North America Act, 1867 as amended, I recommend these estimates to the House of Assembly.

(Sgd) Gordon A. Winter

Lieutenant-Governor."

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

MR. CHAIRMAN (Baird):

Order, please!

The Resolution on Bill 80.

RESOLUTION

"That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the Public Service for the financial year ending the 31st day of March, 1982, the sum of one billion twenty-nine million four hundred and eighty-five thousand eight hundred dollars (\$1,029,485,800)."

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in  
bill # 81*

DR. J. COLLINS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. Minister of Finance.

DR. COLLINS:

Mr. Chairman, we are now debating

a resolution in regard to supplementary supply. During the fiscal year just ended, it was necessary during the year, subsequent to the Budget being brought in, to go to the Lieutenant-Governor for special warrants for certain necessary expenditures. This was done and as was required by The Financial Administration Act, those special warrants were tabled in this House and I am sure that hon. members are familiar with the contents of the special warrants. What this resolution and this bill will do, will now give the stamp of approval of the House of Assembly to those expenditures. And I think that is all I need to say at this stage on this, unless hon. members have particular questions to ask. But as I mentioned, the information has already been on the Table of the House, it was placed on the Table of the House as required by The Financial Administration Act, within a short number of days of each special warrant being obtained.

So I move the adoption of the resolution.

MR. CHAIRMAN: The hon. member for the Strait of Belle Isle.

MR. WARREN: Now we will hear a good speech.

MR. ROBERTS: Well, Mr. Chairman, it may be a good speech, I say to my friend for Torngat (Mr. Warren), but it will be a short one. This is another example of the House being asked to lock the barn door after the horse has been stolen, to follow through on the metaphor. What we are being asked to do now is to approve the expenditure of money which has already been spent, and it was spent in the fiscal year which ended three months ago, or more than three months ago. And all we are being asked to do now is to make legal something which the government

MR. ROBERTS: has already done.

And, in fact, under the legislation which this administration put into place, or which their immediate predecessor put into place, as the minister is aware they can spend money on special warrants without any particular urgency being shown, all that is needed is a certificate by the minister. And the minister, I would venture to say, would be prepared to grant a certificate very readily and, in fact -

DR. COLLINS: The minister and the (inaudible).

MR. ROBERTS: The minister and the -  
are they the same at this stage or not? I do not remember. I do not think it matters whether.

AN HON. MEMBER: You need two ministers.

MR. ROBERTS: Oh, so you need two ministers.  
Well, that is like saying you need twiddle and twoddle instead of just twiddle.

MR. MARSHALL: And the Cabinet, of course.

MR. ROBERTS: And the Cabinet. That is twiddle,  
twoddle and foe-fum.

AN HON. MEMBER: And now the House of Assembly is being -

MR. ROBERTS: And now the House of Assembly is being asked retroactively if the House - let us just consider what would happen should the House say, no we will not adopt this resolution.

MR. NEARY: They would have to resign.

MR. ROBERTS: That would be the advantage, that the government would have to resign. But the \$32,795,600 has been spent, every single cent of it has been spent, in fact it has been spent for at least two months because the government are not able to pay anything after the 30th. day of April in any given fiscal year, anything which is charged back against the preceding fiscal year, the financial year which ended the 31st. day of March in any given year. So every nickel of this \$32, 795,600 has been spent, not one penny of it was authorized by legislation. The purposes for which it was spent may or may not have been authorized by legislation. It is spent simply by virtue of an Order-in-Council, It may well require the reports of two ministers, in fact, if I remember correctly, and the minister could correct me if I am wrong, the Secretary of the Treasury Board is also required to certify that the money is needed. But that is the end of it. There is no publicity. There is no public debate. There is no public discussion. There is no public test.

So all I will say we have to support it, of course, we do. It is pointless not to, the money is gone and spent anyway. What do we do? Do we get it back from the minister? That is ridiculous. We just simply have to ratify. We have to lock the barn door after the horse is stolen. The \$32 millions have been spent. We do not know for what it was spent, other than the information that was given to us on the special warrants. The government can run through these special warrants under their Financial Administration Act.



MR. ROBERTS: They do run them through with no heed nor holler. And all the talk we hear about bowing down to the House's control of expenditure is just twiddle and twoddle. And this bill is a twiddle twoddle bill brought in by a twiddle twoddle administration. The unfortunate part and the part that is not twiddle twoddle, is it is \$33 million of the Newfoundland taxpayers' money.

So we will support the bill simply because it is utterly unthinkable to do anything else. The money has been spent. But it is a sad commentary on the minister's budgetary practice. It is an even sadder commentary upon the financial administration practices that the minister and his colleagues have brought in and put into effect.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: What else would you expect Michael Harrington to say, the defeated Torv candidate.

MR. CHAIRMAN (Baird): Shall the resolution carry?  
On motion resolution carried.

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: Rise the Committee.

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

MR. SPEAKER(SIMMS): The hon. member for Humber West.

MR. BAIRD: Mr. Speaker, the Committee of Supply has considered the matters to them referred, has directed me to report that it has adopted a certain resolution and recommends that a bill be introduced to give effect to same.

MR. SPEAKER: The Chairman of the Committee reports that the Committee has considered the matters to it referred, has passed a certain resolution and recommends that a bill consequent thereto be introduced.

On motion, a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Eighty-One And For Other Purposes Relating To The Public Services" (Bill No. 80), read a first, second and third time, by leave, ordered passed and its title be as on the Order Paper.

MR. MARSHALL: Order 5, Bill No. 39.  
Motion, second reading of a bill, "An Act To Amend The Assessment Act". (Bill No. 39)

MR. SPEAKER: If the House will give me a moment I will find out who adjourned the debate.

MR. MARSHALL: That was thoroughly debated, we could put the question, Mr. Speaker.

On motion a bill, "An Act To Amend The Assessment Act", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 39)

On motion that the House resolve itself into Committee of the Whole on the Local Guarantee Act, Mr. Speaker left the Chair.

MR. CHAIRMAN (Baird): Motion No. 3. Resolution: Be  
it resolved that it is expedient to bring in a measure  
further to amend The Local Authority Guarantee Act, 1957,  
to provide for the guarantee of the repayment of loans  
made to, and the advance of loans to certain Local  
Authorities.

Shall the resolution carry?

MR. ROBERTS:

It shall not.

DR. COLLINS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. Minister of Finance.

DR. COLLINS:

Mr. Chairman, just a brief few  
words on this. The amendment to the Local Authority  
Guarantee Act is -

MR. ROBERTS:

I want to know where we are. We  
are pulling for you, my friend, but speak up.

DR. COLLINS:

I am afraid there is too much  
noise over there for you to hear me possibly.

SOME HON. MEMBERS:

Oh, oh!

MR. CHAIRMAN:

Order, please!

DR. COLLINS:

It is very noisy. That part of  
the House is extremely noisy.

MR. STIRLING:

(inaudible) and rang forth a  
joyful sound.

DR. COLLINS:

As I say, it is very noisy. It  
is like an empty barrel rolling down a hill, as you just  
heard: It makes a great deal of racket but it really does  
not do anything.

Anyway the amendment to the Local  
Authority Guarantee Act is necessary to permit municipalities  
to carry out necessary works. What happens is that the  
local authority will raise bank loans for the purpose  
of carrying out public works, the Province then will  
guarantee those loans—and this is what we are doing here—  
and then, subsequently, the Province will convert those

DR. COLLINS: bank loans into long-term debt and the municipalities will repay to the Province in most cases not the full long-term debt, because the Province ends up giving a sizeable subsidy to municipalities and communities for these purposes. So, in the schedule attached to the bill is a list of the bank loans which the Province is guaranteeing and I am sure hon. members will want to support this bill because it is supporting very worthy causes on behalf of citizens in many communities around the Province.

So, with those few words, Mr. Chairman, I support this resolution and I am sure there can be no possible objection to it. X

MR. ROBERTS: Mr. Chairman.

MR. CHAIRMAN (Baird): The hon. member for the Strait of Belle Isle.

X MR. ROBERTS: There is no particular objection possibly to the resolution, but there is certainly a great deal to the government and the way in which they are handling this aspect of the Province's affairs, so I think the minister might as well resign himself -

AN HON. MEMBER : Resign?

MR. ROBERTS: No, I would not say resign - I mean, why should the minister become happy; he created the mess, let him solve it, you know - but resign himself to the fact that there are three or four of us who wish to say a few words as well.

What I wish to say now at ten of six on a lovely Summer afternoon is that I would like to ask the minister if, perhaps, overnight he could ask his officials to get for us some information that I suggest is readily available - I do not know whether the minister even wants to make a note of it or whether he simply will dismiss the request out of hand - but perhaps he could arrange to get for us some indication of exactly how much the municipalities of the

MR. E. ROBERTS: Province now owe and exactly how much they are contributing towards the - I am talking about their debenture debt as well as their bank debt, because I think the minister mentioned - if he did not he should have - most of these loans in due course turn from bank loans into debenture loans issued by the Municipal Loan Funding Corporation - I am not sure if that is the correct name of it.

DR. COLLINS: The Municipal Development Financing Corporation, MDFC.

MR. E. ROBERTS: What is it called? The Municipal Development Financing Corporation, MDFC. It is one of the four lending bodies that were put in place some fifteen years ago by Mr. Denis Groom and of course the financial policy of the Province has been following that ever since and I think rightly so. So, I wonder if the minister could get for us some indication of, first of all, what is the net debenture debt outstanding of the municipalities in the Province. And secondly, what the annual service charges are both for interest and repayment of principal, and how much the individual municipalities are contributing to this, and then, by a simple process of subtraction, how much the government are contributing. And I suspect his colleague the Minister of Municipal Affairs (Mrs Newhook) would have that latter figure readily to hand, and perhaps would have all of them. And if not, I have no idea who is even the Chairman of the Municipal Finance Corporation, it is usually the deputy minister of Municipal Affairs or some senior official -

DR. COLLINS: The Deputy Minister of Finance.

MR. ROBERTS: The Deputy Minister of Finance. Well then, we have an eminently capable Deputy Minister of Finance, Mr. Norris, and he would have the information,

MR. E. ROBERTS: I am sure, very readily at hand. I wonder if the minister could perhaps tell us as well - he could save us the arithmetic since there is no total appended to this bill, so we do not know - how much in extra guarantees we are being asked to authorize? Perhaps you could get us that. And I would like to know if this is all that was authorized for the councils in the Province last year through the agency of the government? And furthermore, perhaps you could tell us whether these are all of the borrowings that these councils did in fact make last year?

MR. NEARY: You are going too fast.

MR. ROBERTS: This does not include the city of St. John's or the city of Corner Brook, if memory serves me correctly - I am sorry: Corner Brook is in here, St. John's is not. And perhaps he can tell us whether there are any other borrowings by any of these councils that are not included in this year's totals. And that might include any monies which they might give to Newfoundland and Labrador Housing or to Canada Mortgage and Housing, the two agencies that fund housing and in the past have also funded water and sewer and land development costs. Now, I think, Mr. Chairman, that information would probably enable us to make

MR. E. ROBERTS: a bit of a start on considering this, because what we are being asked to do here is to amend an act by adding to a schedule, and we are adding to a schedule which is now twenty or twenty-five years old and each year there is a list like this put on to it. We are being asked to amend in respect of money that has already been spent. And let there be no doubt again this is locking the barn door after the horse has gone through it, whether the horse has been stolen or not. We are simply authorizing monies, all of which were spent, and perhaps the minister can assure us that this in fact is so, it ought to have been so, that all of these monies were spent in the financial ending 31st March 1981, in other words the financial year which ended three or four months ago. While I am on that point, perhaps the minister could apply his mind and his considerable talents, or one of his colleague's - Minister of Municipal Affairs (Mrs. Newhook) is not with us - but perhaps one of his colleagues, maybe even the President of the Council (Mr. Marshall) who is the expert on this kind of thing could tell us, why the House cannot be asked to authorize the loan and guarantee programme in the year in which it is into effect. Now, let us just consider that. The other day the Minister of Municipal Affairs I believe stood in her place, if not she made public inside or outside the House a programme, and the programme was the municipalities programme for the year. I think it added up to \$31 - \$32 millions of dollars.

She stood here in the House and she read her - I was going to say in man fashion but that gives the wrong idea; in person fashion she read her statement very well and there it was. Now, a year from now the Committee will

MR. ROBERTS: be here being asked to amend the Local Authority Guarantee Act, 1957 by adding to it the items set forth in that schedule. Now, perhaps one of the ministers opposite could indicate why - now that the government have announced it there is no secret anymore; they have announced what they have done and everybody in the Province knows why they have done it and how they have done it and the base, partisan motives which seem to be the only motives this hon. crowd, as we call them - but perhaps we can be told why the House cannot be asked to debate the 1981 municipal programme as opposed to 1980. And I do not see any reason why we cannot. I do not see any reason in fact why we should not and I see many reasons why we should. And if the government intend, as they so piously and so often proclaim, if in fact they do intend to allow the House to participate meaningfully in pledging the public credit or in supervising the public expenditure, if in fact they want the House to be more than a rubber stamp, then they might consider bringing before the Committee a further schedule, it



MR. ROBERTS: could be to this same act, or this same bill, a further schedule was the 1981 programme, because that would give the Committee the chance to debate this year's programme as opposed to a programme carried on last year.

And I may say to the President of the Council (Mr. Marshall), now that he has returned his attention from an earnest converse which he was having with one of his colleagues, is there any reason why the 1981 schedule ought not to be before that Committee now? I do not know of any. If it had not been announced that would be a different story; the Cabinet could say they are still considering it, it is the Cabinet secret. But, you know, the minister has made a great career of prating and piously proclaiming that the House must have certain authority, and I for one agree with the principle, no problem at all.

But, Mr. Chairman, here we have a clear instance where the principle is not being honoured. We are being asked to ratify last year's municipal programme - and of course we will - but what is the difference to the House since the money has all been spent? The only result, if this were not to be done by the House, is every municipality who is receiving money under it would be immediately required by the bank to pay it back. They could not do it so they would all go bankrupt and we would have one awful mess.

So I say to the ministers - it is nearly six o'clock; let us call it six o'clock, we will rise the Committee and go home and come back tomorrow refreshed and ready for the fray again - then perhaps they might give some thought to bringing before the Committee tomorrow an amendment to allow the 1981 programme to be put down and debated. We now know what it is, it has been announced, so let us debate it here, and let us try and make the House a little more important. Let us try to do in

MR. ROBERTS: the House what the administration proclaims they do, but in fact they do not, in other words, return to the House the power to have some meaningful say over expenditures. Let us debate the expenditures now this year as opposed to a year later. I think it is a very sensible request. I would suggest to the gentleman for St. John's East (Mr. Marshall) that when he lays his wee head on his wee pillow tonight that he give some thought to that and consult with his colleagues and possibly tomorrow we could have an announcement.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: By all means, unless she needs more than a minute or two - I do not want to be back here tonight - but I have said what I need to say at this stage. X

MR. MARSHALL: The hon. gentleman's observations are well taken. They certainly are.

MR. ROBERTS: They always are, but go ahead.

X MR. MARSHALL: Those observations made by hon. gentlemen there opposite, all of them are well taken. The fact of the matter is that this bill was left on the Order Paper from last year, I believe, and that is why we want to get it cleaned up now. But we will certainly take cognizance of that. There is no ruling party ever in the history of this Province who have been more sensitive of the rights of the Legislature. And I can tell the hon. gentlemen there opposite that we are planning a Fall session and we