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TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD
3:00 p.m. - 6:00 p.m.
THURSDAY, JUNE 11, 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 Minister of Recreation, Culture and Youth.

MR. ANDREWS: Mr. Speaker, as the hon. House is aware, the 1982 Winter Games Committee resigned last week over a dispute with the Province regarding planning and costing of the Games. This action naturally upset many people in the Labrador region and some people in the provincial government, of course.

I am pleased to announce today that the Town Council of Labrador City - Wabush has agreed to strike a new Winter Games Committee. This process will be completed either today, or at the latest, tomorrow.

I am also pleased to announce that an additional sum of \$100,000 has been approved by government for the 1982 Games.

SOME HON. MEMBERS: Hear, hear!

MR. ANDREWS: I look forward to working with the community officials in Labrador West and with the new Winter Games Committee.

MR. SPEAKER: The hon. the member for Torngat Mountains has about thirty seconds.

MR. WARREN: Yes, Mr. Speaker. Again we see an example of how a minister in such a short period of time can drag his feet and also drag a lot of people along with him. Here we have an example, Mr. Speaker, of a minister not replying to the original Winter Games request for getting additional funding and all of a sudden, for some reason, they are just disbanded, the old committee. Why not keep

MR. WARREN: the old committee in place? Because all they were asking for was more funding from the government. So if there is more funding coming in from the government, why do you not keep the old committee in place? Because they were doing a good job. Maybe it is because of political interference and there are probably P.C. fellows in place up there now.

I hope that the minister could see reason and keep the old committee in place, because all they were asking for was an additional \$100,000 as the minister has agreed. Shame!

MR. SPEAKER (Simms): Order, please!

I would like to welcome to the galleries today on behalf of all hon. members, the Deputy Mayor of the Town of Botwood, Mrs. Jean Elliott, along with Mr. Clarence Emberley, the Town Manager for the Town of Botwood. Welcome to the galleries.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements?

PREMIER PECKFORD: Mr. Speaker.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I have a statement here that I would like to make at this time.

Mr. Speaker, several times over the past few months, statements have been made to the effect that Newfoundland receives each year a great deal more from the rest of Canada than it contributes. The implication of these statements is two-fold, one, that Newfoundland is somehow unique and that Canadians living in other provinces are not getting similar benefits, and, two, that Newfoundland should be grateful for the amounts it does receive and not speak out against policies and programmes initiated by the federal government with which it does not agree.

June 11, 1981

Tape 2360

EC - 3

PREMIER PECKFORD: The general conclusion reached
is that we should accept our role in the nation as the
most 'have not' Province and live off the generosity of
the rest of the nation

PREMIER PECKFORD:

and particularly the federal government. But, Mr. Speaker, the purpose of my statement today is to -

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

MR. SPEAKER (Simms): Order, please!

A point of order has been raised by the hon. the Leader of the Opposition.

MR. STRILING: Yes, Mr. Speaker. The first three or four paragraphs of that Ministerial Statement are provocative, encouraging debate and are making the assumption that nobody by the Premier agrees with, nobody has made the assumptions that he is starting off with. It is a Ministerial Statement that is only to provoke debate, it is not a Ministerial Statement in giving us any new information, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. MARSHALL: To the point of order, Mr. Speaker.

MR. SPEAKER: To the point of order, the hon. President of the Council.

MR. MARSHALL: It is quite evident that the hon. gentleman is trying to out-Lapoile, the member for LaPoile (Mr. Neary), the other Leader of the Opposition.

Mr. Speaker, he is continually getting up in this House on spurious points of order. A Ministerial Statement, there is wide latitude given on a Ministerial Statement, a Ministerial Statement is given to inform the public about matters pertaining to public affairs. The hon. gentleman has heard one or two sentences and has taken exception to those one or two sentences because he presumes something else is coming. The hon. gentleman, Mr. Speaker, is constantly interrupting the proceedings of this House by spurious points of order and there is, Mr. Speaker, an obvious proceeding to deal with the hon. gentleman which we will have to take reluctantly -

SOME HON. MEMBERS: Oh, oh.

MR. MARSHALL: - if he continues to disrupt the proceedings in this House.

MR. SPEAKER (Simms): Order, please!
With respect to the point of order, the purpose of a Ministerial Statement is to convey information, I have not yet heard the Ministerial Statement, I presume that is what the hon. the Premier is doing. In any event, the hon. to my right will have the right to respond for approximately half the time as is the rule.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Thank you, Mr. Speaker.

Mr. Speaker, the purpose of my statement today is to set the record straight regarding the contribution which Canadians living in Newfoundland are making to the federal government and the rest of the nation.

As will be seen, Newfoundland is making a very significant contribution to the rest of the nation and there is absolutely no reason for us to feel we are living off the rest of Canada and hence that we cannot assert our views on major issues.

To start with, let me clearly state that my comments today are not anti-Canadian or anti-federal government.

SOME HON. MEMBERS: Oh, oh.

PREMIER PECKFORD: I fully acknowledge that Newfoundland receives a great many benefits, both financial and otherwise, from being a part of our great nation, Canada.

AN HON MEMBER: Hear, hear.

PREMIER PECKFORD: In particular, we receive very extensive financial assistance from the federal government both as a Province and as individuals. In fact, we could not as a government operate the many services we do without various transfer payments such as equalization, established programme

June 11, 1981

Tape No. 2361

SD - 3

PREMIER PECKFORD:

financing and the like. Hon.

members should note, however, that we are by no means unique in this respect. Seven of the ten provinces receive equalization payments, all ten provinces receive

PREMIER PECKFORD:

federal funding for health, Medicare, post secondary education and social assistance. All Canadians can receive unemployment insurance if they are without work and have the requisite employment record. All senior citizens in Canada are eligible for pensions and the like. Even DREE, which was created to help overcome regional disparities, spends money in all provinces, including the three 'have' provinces of Ontario, British Columbia and Alberta.

Mr. Speaker, because we are a 'have not' province we receive proportionately more under certain programmes than might be the case in the richer parts of the country. Because our unemployment rate is almost double the national average, we certainly get more unemployment insurance than if our unemployment rate was lower. Because we have many low income citizens, we receive substantial amounts through the Canada Assistance Plan and, because of our low incomes, we receive a very considerable amount of equalization.

The same would apply to any other province or its citizens in like circumstances. If Ontario's unemployment rate was double the national average, it would receive proportionately more unemployment insurance and Canada Assistance Plan benefits. If Alberta was a 'have not' province, it would receive equalization payments. There is nothing unique or special in any of these. They are all benefits we receive if we need them because we are all a part of the same nation. That is as it should be and, were it any different, we would have great cause for concern.

Mr. Speaker, for the information of the hon. members, I would like to review the most recent comparative statistics, which happen to be for 1979, to show how much Newfoundland received from and what it contributes to the rest of the nation. First of all, it should be noted that in

PREMIER PECKFORD: financial terms at least, most of the benefits Newfoundland receives comes from the Federal Government directly. This is different from, say, Ontario and Quebec which also receive very large indirect financial benefits because of their central location and the effects of the Canadian tariff wall. Newfoundland, as we all know, does not benefit from the tariff wall because we do not manufacture consumer goods in any great amount and all our major industries are export oriented.

I will have more to say about the indirect benefits which some provinces receive in a few minutes.

In 1979, the Federal Government spent a total of 1.6 billion dollars in Newfoundland. Of this amount, about \$600 million were transferred to the Province, \$500 million were transfers to persons, and the remaining \$500 million was spent on goods and services, subsidies, etc.

Mr. Speaker, there is no doubt that these expenditures are large and the benefits accruing to citizens very substantial. The question is are they larger than citizens of this Province should expect as Canadians and what is the impact of these expenditures on the Province?

In 1979, the Federal Government -

MR. SPEAKER (Simms): Order, please!

A point of order has been raised by the hon. Leader of the Opposition.

MR. L. STIRLING: I hope that by this time, Mr. Speaker, you have heard enough to hear that what we are talking about is a most provocative debate on federal/provincial relations which should be much more appropriately done in debate and not in the form of a Ministerial Statement. There has been nothing in the information, Mr. Speaker. It is an abuse of the rules of the House because we are confined to one half the time and we cannot enter into debate, whereas, Mr. Speaker, everything that has been said to this point has been a recitation of information that is needed in debate. It encourages debate and so far has been nothing but a provocative, anti-Canada statement.

SOME HON. MEMBERS: Oh, oh!

MR. W. MARSHALL: Mr. Speaker.

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

MR. W. MARSHALL: Mr. Speaker, as Your Honour has indicated, a Ministerial Statement is for the purpose of giving information on matters of public affairs. It is not, Mr. Speaker, a matter as, Your Honour, will see in May - and I have do not have the quotation immediately handy but I know it is in May - that when a minister rises to give a statement there is no basis whatsoever for another member of the House to get up on a point of order to object to the contents of the statement itself. The procedure, Mr. Speaker, is that the Ministerial Statement is given, there is an opportunity given to the other side to reply. As to the matter of debate that the hon. gentleman is referring to, there is no matter surely of public policy that can be given in a Ministerial Statement which does not contain elements, Mr. Speaker, that are subject to debate. It would be a rather dead statement of public policy indeed if it were, in fact,

MR. W. MARSHALL: not a matter of comment.

Mr. Speaker, I suggest the hon. gentleman should possess himself in patience, listen politely to the statement, and see if he can attempt and surprise us by this time making an intelligent comment in reply.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): With respect to the point of order, the purpose - as I indicated a few moments ago in a quote from Beauchesne - of a Ministerial Statement is to provide information. As far as the Chair can gather, information is being provided and there is no point of order.

The hon. the Premier.

PREMIER PECKFORD: Thank you, Mr. Speaker.

To continue, in 1979, the federal government nationally spent about \$52 billion. Newfoundland has about 2.5 per cent of the Canadian population. If federal spending were exactly the same throughout the nation, one would expect that spending in Newfoundland would be 2.5 per cent of \$52 billion or \$1.3 billion. By this measure, then, we received about \$300 million.

PREMIER PECKFORD:

more in 1979 than one might have expected. At first glance, it appeared we gained substantially. However, it is the impact that spending has on the economy which is the critical factor rather than the actual level of expenditures and, when the federal expenditure in Newfoundland is analyzed on the basis of the direct and indirect impact, some startling facts emerged. When the federal government, or the Newfoundland Government for that matter, spends money on transfers to persons - for example, family allowances, pensions, social assistance and the like - we obviously get the benefit of the first round of spending. However, when the money is spent the Newfoundland economy only retains thirty-eight per cent of the total Canadian impact, and sixty-two per cent ends up in other provinces. In fact, fifty per cent ends up in Ontario and Quebec. As indicated earlier, in 1979 the federal government spent about -

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

MR. SPEAKER (Simms): Order, please! A point of order has been raised by the hon. Leader of the Opposition.

AN HON. MEMBER: Abusing the rules of the House.

MR. FLIGHT: We have to listen to that. We have to listen to the like of that.

MR. STIRLING: Mr. Speaker, we are continuing with the debate and the last reference in which the Premier quotes what he calls a fact, Mr. Speaker, is not backed up in any way as a fact and provokes debate. It is not brief and it is not factual. And I quote, "The Newfoundland economy retains thirty per cent of the total Canadian impact, and sixty-two per cent ends up in other provinces." There is nothing to back up that fact, a fact which is a debatable point and which encourages debate, Mr. Speaker. We on this side cannot accept that as a straight statement of fact and it provokes

MR. STIRLING: debate and therefore, Mr. Speaker, is out of order.

MR. SPEAKER (Simms): Order, please! I would have to draw the hon. Leader of the Opposition's attention at least to the reference in Beauchesne that I have already used twice, and it is the same reference, "The purpose of a Ministerial Statement is to provide information." Hon. members to my right may not agree with what is in the statement, but certainly that is their right to say when they respond to the statement. But there certainly is no point of order as far as I can gather.

The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I am very sorry to have to give my statement in this fashion but obviously the Leader of the Opposition so wants it. This statement, Mr. Speaker, as I was going to say when I got near the end of it, is the result of an extensive study that was done by this government into the various economics of transfer payments and so on. This has resulted from almost a five, six month study and this statement comes out of that, from economists and people who work for the Government of Newfoundland and Labrador.

As indicated earlier, in 1979 the federal government spent about \$500 million in transfer payments to persons in Newfoundland. While this spending was very beneficial to residents of this Province, it was also indirectly very beneficial to other provinces, particularly Ontario and Quebec because they are the producers of a large

PREMIER PECKFORD:

percentage of the goods bought by these funds. A similar situation occurs when other components of federal spending are analyzed. While we receive the full benefit of the first round of spending, we only retain fifty-two per cent of the total Canadian impact of construction expenditures and the other provinces gain forty-eight per cent of the benefit.

MR. STIRLING: A point of order.

MR. SPEAKER (Simms): A point of order has been raised by the hon. Leader of the Opposition.

MR. STIRLING: Mr. Speaker, reference Beauchesne, page 87, 262. "Statements by Ministers have now been given a recognized place in Routine Proceedings. The Speaker has emphasized that both the government and Opposition contributions should be brief" - this is a ten page statement - "and factual." Mr. Speaker, that is subject to debate. The purpose of the Ministerial Statement is to convey information not to encourage debate and, Mr. Speaker, every statement that has been made to this point has been to encourage debate because it is not factual, Mr. Speaker. So as I quote as a reference -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: - Section 262, Mr. Speaker.

MR. MARSHALL: Mr. Speaker.

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

MR. MARSHALL: The hon. gentleman conveniently left a passage out. It also said that the Speaker is left to set limits on the participants, and considerable latitude has been left to the Speaker. Now, Mr. Speaker, what is occurring here is that Your Honour has made a ruling - your Honour has made a second ruling and a third ruling - and

MR. MARSHALL: the hon. the Leader of the Opposition unfortunately is persisting in getting up and when he is getting up, Mr. Speaker, he is in effect challenging Your Honour's ruling. Now, Mr. Speaker, there is no way that this House can operate if Your Honour is to give a ruling and two or three minutes later the same point arises again and somebody is up in the House disrupting debate. There is one obvious, I suggest, Your Honour, one obvious alternative to be taken; that is the hon. gentleman has to be directed to take his seat, and if the hon. gentleman does not take his seat and continues to flaunt Your Honour's ruling, there is an obvious course of action which regrettably will have to be taken by the House.

MR. SPEAKER (Simms): With respect to the point of order, I believe the point of order at this time had to do with the length of the statement. It was a little different than the others as I see it, and while the reference that the hon. member quoted from Beauchesne is certainly accurate and is there for everybody to read, I will point out to him also that the traditions and practices of the House supercede whatever is in that reference book. And certainly the practices in this House in the past have been to provide for lengthy statements on many occasions. And I remind the hon. members again that as soon as the statement is completed they will have the right to reply and will have half the time as the rules permit. So there is no point of order.

The hon. the Premier.

PREMIER PECKFORD: Thank you, Mr. Speaker. We will try again. So, Mr. Speaker, I had completed by saying when components of federal spending are analyzed, while we receive the full benefit of the first round of spending we only retain fifty-two per cent of the total Canadian impact of construction expenditures and forty-eight per cent go to other provinces.

PREMIER PECKFORD: On goods and services, we do somewhat better. After the initial round, we retain about 70 per cent of the expenditure in our economy. However, on machinery and equipment expenditures, the leakage from our economy is extremely great. After the first round, we only retain 11 per cent while Ontario alone obtains 51 per cent and Quebec alone obtains 27 per cent.

Mr. Speaker, it is clear that while Newfoundland and its citizens receive very significant benefits from federal spending in the Province, and these should, in no way, be downgraded or ignored, it is a fact that Canadians living in other provinces also obtain very significant benefits because of the impact of these expenditures.

In the case of expenditures on machinery and equipment, after the initial round, Newfoundland retains only 11 per cent and other Canadians obtain 89 per cent. In the case of expenditures on transfers to persons, Newfoundland retains 38 per cent of the benefit and other Canadians 62 per cent. In the case of expenditures on construction, Newfoundland retains 52 per cent and other Canadians 48 per cent.

Finally, on expenditures on goods and services, Newfoundland retains 70 per cent of the benefits and other Canadians 30 per cent.

The conclusion reached by this analysis is clear and simple.

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

MR. SPEAKER (Simms): Order, please!

The hon. Leader of the Opposition has raised a further point of order.

MR. STIRLING: Mr. Speaker, I do appreciate in your other rulings that you said that you had to listen and that the Speaker has to make the final judgement. But, Mr. Speaker, this statement continues to be a speech which

MR. STIRLING: is debatable on every point - we have now heard four or five. I refer to the same reference in Beauchesne -

MR. WARREN: From the schoolboy from Springdale.

MR. STIRLING: - and I appreciate what the Speaker has said in the past but, Mr. Speaker, this is the most long-winded, deliberate abuse of the rules of this House by a Ministerial Statement and therefore I have to bring it to the attention of the Speaker.

MR. SPEAKER (Simms): Order, please!

This is the fifth point of order that has been raised by the hon. Leader of the Opposition (Mr. Stirling) following this particular statement. I believe it is fair to say that I have ruled consistently, even though the points raised by the hon. Leader of the Opposition may, on occasion, have been somewhat different, but I would suggest also to the hon. Leader of the Opposition that there is no place in the House for spurious points of order and if they continue to be raised, then the Chair will have to take other action.

I have given a consistent ruling and the ruling is that there is no point of order and the hon. Leader of the Opposition, or whomever on my right, will have an opportunity to reply.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Thank you; Mr. Speaker.

The conclusion reached by this analysis is clear and simple; residents of Newfoundland receive significant benefits from the federal government spending in the Province. At first glance, it appears we receive more than we might expect as Canadians. However, when the impact of these expenditures is traced throughout the economy, it is evident that a significant percentage of the subsequent benefit of these expenditures is received by other Canadians, particularly those in Ontario and Quebec. Therefore, we do not need

PREMIER PECKFORD: to feel ashamed when we hear about how much we receive. Other Canadians benefit as well and, in some cases, other Canadians receive the bulk of the benefit after the initial transfers are spent in Newfoundland. Again, I stress the point that my purpose is not to belittle the federal effort in this Province. It is substantial and very, very beneficial. However, it must be viewed in the proper perspective or the wrong conclusion will be reached.

Mr. Speaker, I have spent some time analyzing what Newfoundland residents receive from the Federal Government and what the impact is on our economy and the economy of the rest of the country. I am sure that hon. members will also be anxious to have knowledge about what Newfoundland Canadians contribute directly to the Federal Government and other provinces. There often seems to be the impression given that Newfoundland only receives but does not contribute. Nothing could be further from the truth. Newfoundland residents pay federal personal and corporate income taxes, federal excise taxes and Canadian Pension Plan contributions, unemployment insurance premiums, federal gasoline and liquor taxes, federal imports duties, tariffs, and a host of other federal levies and charges for licenses, Crown corporation services and the like.

In 1979, the total amount which residents of this Province paid to the Federal Government for all these various federal taxes, duties, licenses and fees amounted to \$600 million. In addition, and again as I mentioned earlier, Newfoundland receives most of the financial benefits of being part of Canada directly from the Federal Government whereas we do not receive indirect or hidden benefits as do other provinces. To make a true comparison, therefore, both the direct and the indirect benefits and contributions must be taken into account. When these indirect factors are taken into account,

PREMIER PECKFORD: the picture which emerges is entirely different and the relative position of Newfoundland changes dramatically. As I stated, in 1979 Newfoundland residents paid about \$600 million into the Federal Treasury and it is this figure which is normally used to indicate our contribution to the nation.

Mr. Speaker, this \$600 million is only what Newfoundland residents pay directly to the Federal Government. It does not measure what we contribute directly or indirectly to other Provinces. The classic example, of course, is the massive amount of economic rent we are contributing to the Province of Quebec through the sale of virtually the entire output of the Upper Churchill hydro project at less than ten per cent of its value.

As hon. members know, Quebec is receiving all this energy at about three mils. per kilowatt hour. At a conservative estimate, this power was worth at least thirty mils per kilowatt hour in 1979. Each mil on the Upper Churchill is worth about \$30 million a year and so in 1979 the lost economic rent and the contribution which Newfoundland made to Canadians in Quebec amounted to about \$810 million.

PREMIER PECKFORD:

In addition to the massive contribution we are making to Quebec residents, Newfoundland is also making a very significant contribution largely to the residents of Ontario and Quebec as consumers of goods produced in these provinces behind a very high and, at times, prohibitive tariff wall. The protection afforded by a tariff does not show up in any government books. There is no item in the federal spending called 'expenditures on tariffs'. Tariffs keep out less expensive foreign goods and permit domestic producers to charge higher prices. It is consumers who pay the cost of the tariff, and, for most goods, Newfoundland residents are the consumers, not the producers. Hence, we pay the cost of the tariff, but it is the residents of Ontario and Quebec who reap most of the benefits.

Mr. Speaker, I am not saying that all tariffs are bad or that the residents of Ontario and Quebec should not benefit from such policies. What I am saying is that these benefits to some Canadians and the costs to other Canadians must be included in any assessment of overall benefit and contributions. It is extremely difficult to estimate the cost of the tariff policy but it is clear it is expensive to consumers, particularly those who do not receive the direct benefits of the tariff. It is roughly estimated, however, from our study that has been done over the last several months, that the cost of the tariff to Newfoundland residents is in the \$200 million to \$300 million range per year.

AN HON. MEMBER: There now, boys!

PREMIER PECKFORD: Mr. Speaker, if we look at all the facts it quickly becomes evident that Newfoundland is not a drain on the rest of Canada. It is clear from these examples that Newfoundland in real terms is

PREMIER PECKFORD: contributing just as much to the nation as we are receiving.

There is no doubt we receive significant benefits from being a Province of Canada- In 1979 we received about \$1.6 billion from the federal government, but we did not receive it free. We paid about \$600 million directly back to the federal government in taxes and the like; we paid another \$800 million to the residents of Quebec in economic rent through the Upper Churchill contract; and we paid another \$200 million plus to Canadian manufacturers producing behind the Canadian tariff wall, few, if any, of which are located in Newfoundland.

If you take the \$600 million -

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

MR. SPEAKER (Simms): Order, please!

A point of order has been raised by the hon. the Leader of the Opposition.

MR. STIRLING: Mr. Speaker, I realize the risk that I am taking in bringing this to your attention, but as this has progressed, Mr. Speaker, I have to appeal to you and ask you to look at that last statement to see if that does not encourage debate and if that is not a flagrant abuse of the rules of this House.

MR. SPEAKER: To the point of order, I rule there is no point of order and I would ask the hon. the Premier to continue.

PREMIER PECKFORD: Thank you, Mr. Speaker.

If you take, Mr. Speaker, the \$600 million in federal taxes paid directly, the \$800 million - which is a conservative estimate - contribution to the

PREMIER PECKFORD: residents of Quebec, and the \$200 million plus that we contributed mainly to Central Canadian producers because of the tariff wall, overall in 1979 we contributed just as much, if not more, to the rest of Canada as we received thereby; namely, \$1.6 billion - \$800 million, \$600 million and \$200 million.

I am sure that when the figures are available for 1980 and 1981, that they will show the same result.

Mr. Speaker, there is no need for Newfoundland residents to be ashamed or to feel subservient because we receive substantial benefits from the federal government. All Canadians receive such benefits, some are direct, some are indirect, some individuals receive more than others because their needs are greater, some Provinces receive more than others at any particular time because of their circumstances. As Canadians, we all pay our share of the costs based on our ability to pay. That is how it should be.

I am concerned, however, when I hear some groups state that Newfoundland is somehow obtaining greater benefits than it deserves or that it is not contributing its share. I become particularly concerned when it is stated that we should not stand up for our rights or speak out clearly on issues such as the constitution because we receive equalization or DREE grants.

That is not what Canada is all about, Mr. Speaker, and those who make such statements do a disservice to us all. I am proud, very proud, that as Canadians living in Newfoundland we contribute very substantially to the nation. I am very proud and pleased that we receive substantial benefits back. I am hopeful that we can both contribute and receive more in the future. I believe

PREMIER PECKFORD: this is the way a federation should operate and I trust that it will always be this way.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. L. STIRLING: Mr. Speaker.

MR. SPEAKER (Simms): The hon. Leader of the Opposition has about fourteen minutes.

SOME HON. MEMBERS: Hear, hear!

MR. L. STIRLING: Mr. Speaker, I have to be very careful with my choice of language so that I do not get ruled out of order or have to withdraw something, because Mr. Speaker, the rules of the House are such that I cannot enter into debate and I have half the time that the Premier used in his prepared statement.

Mr. Speaker, on this side of the House we have always been proud of being Canadian and we have been proud of being Newfoundlanders.

SOME HON. MEMBERS:

Hear, hear!

MR. WARREN:

That is more than the Premier can say. That is more than the Premier can say.

MR. LUSH:

We are ashamed of nothing.

MR. STIRLING:

Mr. Speaker, we have never felt that we had to stand up in this House of Assembly, or anywhere else, and apologize for demanding our equal rights in Canada.

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING:

We have gotten fair treatment from Canada, Mr. Speaker. We have gotten our equal rights in Canada, and of course we contribute, and we are proud of the fact that we contribute, Mr. Speaker.

MR. FLIGHT:

And we have never doubted that we did.

MR. STIRLING:

We have never had any doubts about the fact that we were proud Newfoundlanders and proud Canadians. And let us look at this attempt by a government who is getting the message from all over this Province, Mr. Speaker, from all over this Province, including a young man, for example, who is working in the offshore, I talked to two people, Mr. Speaker, working in the offshore, ashamed, absolutely ashamed by specific; they are ashamed of the Premier's statement, ashamed of the attitude that he has taken.

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING:

Ashamed that a Nova Scotian can look at them and say, "Newf, I cannot get a job on your offshore" and Mr. Speaker -

SOME HON. MEMBERS:

Whose offshore?

MR. SPEAKER:

Order, please!

MR. STIRLING:

Our offshore. Our offshore. It is our offshore.

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING: Let there be no doubt from the
poniness on the other side.

SOME HON. MEMBERS: Oh, oh!

MR. FLIGHT: Do not be so silly.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order! Order!

MR. STIRLING: Now let me, Mr. Speaker,
let me tell you about another young man -

SOME HON. MEMBERS: Oh, oh!

MR. LUSH: Grow up.

MR. SPEAKER: Order, please!

MR. STIRLING: - Mr. Speaker, let me tell you
about another young man who is working on the -

SOME HON. MEMBERS: Oh, oh!

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

MR. STIRLING: - offshore off Aberdeen.

MR. LUSH: What a bunch of crap.

MR. SPEAKER: Order, please!

MR. STIRLING: Mr. Speaker, I never asked for your
intrusion.

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!
The hon. Leader of the Opposition.

MR. STIRLING: Mr. Speaker, I do not mind the
catcalls from the other side. It shows the bunch of children
that they are.

MR. WARREN: Hear, hear!

MR. STIRLING: And, Mr. Speaker, I do not need
any protection from the Chair because our cause is right,
Mr. Speaker. They cannot drown out our cause. Because,
Mr. Speaker, another young man who just came back off the offshore

MR. STIRLING: off Aberdeen, twenty-two Newfoundlanders working on that oil rig offshore out of 100, and he said, "We can compete. We can get the jobs. But in Newfoundland we do not have a training school," Mr. Speaker, the government makes all kinds of noises but they do not have a training school for Newfoundlanders in the offshore. They are paying lip service, Mr. Speaker, but it is a phoney bunch of arguments.

SOME HON. MEMBERS: Oh, oh!

MR. LUSH: Get up on a point of order, boy.
Get up on a point of order.

MR. STIRLING: Now, Mr. Speaker, let us deal with the garbage included and the abuse of the rules of this House by the Premier. He has come up with some phoney figures which he has not had the nerve to table, just like the Minister of Mines and Energy (Mr. Barry) has not had the nerve to table anything to talk about the Lower Churchill and the transmission of electricity. Because, Mr. Speaker, this is a con job of the worst order perpetrated by this government. They say something which everybody can understand, "We want the right to transfer across Quebec."

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

SOME HON. MEMBER: No.

MR. WARREN: Sit down, boy! Sit down!

MR. STIRLING: Mr. Speaker, they talk in terms of the political type of thing about Quebec, the same kind of anti-Canada rhetoric, exactly the same statement made by René Levesque, almost word for word the René Levesque comment, the same statement before the referendum.

MR. WARREN: A separatist, a separatist!
SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: The source of information came from the Referendum Debate, exactly the same kind of anti-Canada. He does not have the guts to admit that he is a separatist, Mr. Speaker, does not have the guts to admit it and he comes out with this kind of garbage, anti-Canadian garbage.

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: Mr. Speaker, I challenge -

MR. SPEAKER: I would ask the hon. the Leader of the Opposition to withdraw the word 'guts'. I think I have ruled many times.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: Yes, Mr. Speaker.

MR. SPEAKER: The hon. Leader withdraws?

MR. STIRLING: Well, Mr. Speaker, I do withdraw the word 'guts'. As a matter of fact, the Premier - let me change it the other way around. The Premier is full of guts. It is about the only thing he is full of, Mr. Speaker, no brain, but guts, he has lots of guts. Anybody who wants to fight with him, he will stand up and fight. And that was great for three weeks, Mr. Speaker. For three weeks that was great. But what about performance, Mr. Speaker? The reason that we get this kind of snow job today, Mr. Speaker, is the word is coming out all around the Province - like the Minister of Fisheries (Mr. Morgan) who went to the Cabinet and said, 'If you do not bring in some legislation to protect people in this Province, I am resigning from the Cabinet.' That is the word that they are getting. That is the

MR. STIRLING: message that they are getting. They are getting the message from the West Coast, Mr. Speaker, from Central Newfoundland where they are allowing a museum to close down in Grand Falls. This is why we are getting the rhetoric. They want to close off the information from the people of Newfoundland, Mr. Speaker. We are proud of the fact that we are Canadians and these so-called facts, Mr. Speaker, have come from René Levesque, that is where they came from.

I challenge the Premier to show this study. I challenge him to bring it in in a form in which it can be debated, because, Mr. Speaker, the rules of the House will not allow us to debate a Ministerial Statement.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: Mr. Speaker, he was asked to go on a television debate with me on Canadian unity and he refused. He was asked by C.B.C. to go on a television debate and he refused. The man hides away behind Ministerial Statements and the rules of this House. He does not have the intestinal fortitude to go on television. He will not allow the radio stations or the television stations to record in this House. He will not show up the ministers who change their stories, Mr. Speaker, from the time questions are asked in this House until they are then into a controlled atmosphere in front of a television camera and they changed their statements.

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): A point of order has been raised by the hon. the President of the Council.

MR. MARSHALL: I rise on a point of order in deference to the hon. the Leader of the Opposition's blood pressure as much as anything else. But the hon.

MR. MARSHALL: Leader of the Opposition is getting off into areas far extraneous, Mr. Speaker, to the items of the Ministerial Statement which pertain to federal-provincial relationships really.

MR. ROBERTS: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for the Strait of Belle Isle to the point of order.

MR. ROBERTS: I would simply say that the point of order is as spurious as the Premier's statement. The Premier's statement touched upon a wide variety and all my hon. friend, the Leader of the Opposition, is doing, is simply responding to it in kind. Now, Your Honour, has ruled—and we do not question that the Premier's statement is in order in the House, an half an hour, a thirty-five minute statement. Surely my hon. friend is doing exactly what he is suppose to do in responding to it briefly - heatedly, yes, because we think the Premier's statement is a very offensive one, as my friend the Leader of the Opposition is saying very ably.

MR. SPEAKER: With respect to the point of order, relevancy is difficult to define and in all questions of relevancy when they are raised the benefit of the doubt is given to the hon. member speaking. If I might—and I hate to take the time of the hon. Leader of the Opposition—but we have a number of senior citizens from St. Luke's Home in the district of Waterford-Kenmount who have been with us in the gallery but now have to leave, unfortunately. We would like to welcome them anyway.

SOME HON. MEMBERS: Hear, hear!

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

MR. STIRLING: Mr. Speaker, it is just for such senior citizens—and I wish that they had been able to stay—it is just for such citizens that we are fighting for a

MR. STIRLING: united and a continued Canada,
Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: It is just for such senior citizens who are receiving the benefits, who are given a chance to live in dignity in this Province, in this great country of Canada. And, Mr. Speaker, one of the reasons they may have to leave is it is very difficult for them to sit and listen to an anti-Canadian, separatist statement. Mr. Speaker, you cannot rule the truth out of order and as many times as the member for St. John's East would like to get up, he will not change the truth, and the truth is that the people of Newfoundland and Labrador are no longer going to take this kind of high publicity, media zeroed in in one and a half minute statements giving absolute garbage, absolute con-artistry at its worst. Mr. Speaker, the people of Newfoundland and Labrador are beginning to see that this Province is being led by a government that does not know how to manage. Every group of employees in this Province has called for the resignation of the Minister of Labour and Manpower (Mr. Dinn) who interfered with the judicial process, and this government will not accept the facts of life as they are. The minister gets up and says - the Premier says that he has the greatest Minister of Fisheries (Mr. Morgan) he has ever had, the greatest Minister of Fisheries he has ever had who publicly contravened the Public Tendering Act, found guilty by his own colleagues, four on that side. Unemployment, Mr. Speaker, running rampant, young people in this Province being cut back so that only the elite can go to university, the people in this Province who have to live on dirt roads, these people do not even have a

MR. STIRLING:

government that can manage far enough in advance to get calcium chloride ready for this season. They are beginning to find out all over this Province! The Minister of Health (Mr. House) who stands up in this House and says, 'There is no nursing shortage', and then gets dumped on by everybody of authority across the Province, and then said, 'They do not have to report to us'.

Mr. Speaker, we are talking about the whole condition contained in that garbage statement, which has been ruled in order, which deals with our involvement in Canada. And, Mr. Speaker, if we did not get the kinds of contributions referred to in this statement there would be no Department of Health, there would be no roads programme, there would be no education programme, Mr. Speaker, But the Premier has accomplished what he set out to do: This piece of prepared statement fed to the media, he will now get on and give a statement giving the kind of information that is not true and is not complete and I challenge him to document any of those assumptions other than the same documentation that was done by René Levesque in the separatist fight in Quebec

MR. WARREN: Hear, hear.

MR. STIRLING: Now why does he not admit it? His government is separatist, his government does not want to exist in Canada -

MR. WARREN: That is right. Right on.

MR. STIRLING: - they are ashamed of the fact that they have to take money from Canada and that is why we get this feeble attempt, Mr. Speaker, to justify their anti-Canadian attitude.

MR. WARREN: Hear, hear.

MR. STIRLING: Well, Mr. Speaker, on this side of the House we are never going to have any part of it. We

MR. STIRLING: are proud to be Canadians, we will take the battle all over this Province, and when the Premier can work himself up to a frenzy to do the kind of thing he did in the middle of the last election when he said to the people in Bellevue, 'There will not be an election for a year and a half or two years and if you want anything done you will have to get it done from me'. And now he goes out West where he does not think he is being reported and says, 'Well, I can call an election anytime'. If you want an excuse to call an election, call it on your Ministerial Statement.

SOME HON. MEMBERS: Hear, hear.

MR. STIRLING: I challenge you to call an election on that statement, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Simms): Order, please!

I would like to welcome to the gallery today a delegation representing the Royal Canadian Legion, Mr. and Mrs. George Osmond and Mr. and Mrs. Art Tavenor, who recently attended a convention from Port aux Basques.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: Any further statements?

The hon. Minister of Mines and Energy.

MR. BARRY: Yes, Mr. Speaker, I would like to welcome the member for Grand Bank (Mr. Thoms) if nobody else will.

Mr. Speaker, I wish to advise members of the House that individuals and groups interested in demonstrating alternative energy technologies and innovative energy conserving measures, can now receive technical and financial assistance under a small scale energy demonstration programme.

SOME HON. MEMBERS: Oh, oh.

MR. BARRY: The Department of Energy, Mines and Resources of the federal government and our own Department

June 11, 1981

Tape No. 2373

SD - 3

MR. BARRY: of Mines and Energy are funding the programme under the Canada/Newfoundland energy conservation and renewable energy demonstration programme.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

And however much the lapdogs opposite of the Federal Government do not want to recognize that this government is doing an excellent job in many areas, including energy development.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please!

MR. BARRY:

Those are the realities of life, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please!

While I cannot find an exact reference, I suggest that the term 'lapdogs' is probably unparliamentary. I would ask the hon. the Minister to withdraw it in any event so that there is no confusion. I would ask the hon. minister to withdraw.

MR. BARRY:

Mr. Speaker, I withdraw that in favour of sycophants, sycophants opposite, Mr. Speaker.

MR. SPEAKER:

I do not even know if sycophants is acceptable. I will review Hansard on it.

MR. BARRY: And I will be glad to spell it for hon. members opposite if they have difficulty in checking that in Beauchesne.

Mr. Speaker, the total amount of funding available will depend upon the number of applications received. That is what I like to see, an open-ended programme. The federal and Provincial departments are offering the programme for one year to promote demonstrations of a variety of small-scale, renewable and conservation technologies. Financial contributions of up to \$10,000 are available under the programme to cover up to 75 per cent of a project's eligible cost. Some technical help to prepare proposals will also be available on request from the provincial Department of Mines and Energy.

MR. BARRY: The programme will respond to the need of small investors for government assistance in carrying out such projects in Newfoundland and Labrador. I am confident that once our public has the opportunity to see these energy-saving technologies at work, many people will then want to adopt them for their own use. Proposals can come from individuals, local non-profit organizations and institutions, small business and municipal governments. Technologies which may be demonstrated under the programme include windmills, solar greenhouses, small scale hydro power, solar domestic hot water systems, waste heat recovery, energy management systems for buildings and car or van pooling. The proposals will be selected on the basis of their suitability to Newfoundland's resource base as well as other criteria and will be given formal approval by a management committee composed of federal and provincial representatives.

We believe that energy saving measures and the efficient use of our wood, wind, solar and water resources are an integral part of this Province's energy future. The Department of Mines and Energy is managing the programme and will be monitoring each project to give the public information on the technical and economic aspects of building and maintaining a variety of systems. The deadline for submitting proposals is September 7, 1981 and a booklet on the programme, complete with an application form, is available from the Department of Mines and Energy.

I must apologize. I do not have the booklet but I will see that the hon. members get a copy of that booklet.

SOME HON. MEMBERS:

Hear, hear!

MR. FLIGHT:

Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for Windsor -
Buchans has about two and a half minutes.

MR. G. FLIGHT: Thank you, Mr. Speaker.

For this side, Mr. Speaker, we
welcome this federal programme, this innovative federal
programme funded by the federal government, envisioned by
the federal government. We welcome it, Mr. Speaker, and
I might say that we are going to need a lot of these pro-
grammes as long as this provincial government, this govern-
ment forces -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. G. FLIGHT: - forces the kind of electrical
increases -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. G. FLIGHT: Mr. Speaker, as long as this govern-
ment continues to force on Newfoundlanders the kind of increases,
the unconscionable, disgraceful kind of electrical increases we
have seen this past few years, we had better hope that these pro-
grammes are successful or some of our people in this Province
on fixed incomes, the lower income scale, will freeze to death
if they cannot find a substitute for electricity. For elec-
tricity is being forced up by the Minister of Mines and Energy
(Mr. Barry) -

SOME HON. MEMBERS: Oh, oh!

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

MR. G. FLIGHT: So, Mr. Speaker, we are going to
need a lot of these programmes and we had -

SOME HON. MEMBERS: Oh, oh!

MR. R. MOORES: Peter Lougheed increases crude oil prices
in Canada, and home heating oil.

MR. T. LUSH: Yes, Peter Lougheed.

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

MR. SPEAKER (Simms): The hon. member for Windsor -
Buchans.

MR. G. FLIGHT: We only pray, Mr. Speaker, that this and other programmes like this, envisioned by the federal government out of a desire to help people survive in this country, recognizing the provincial government's intention to force electrical rates through the sky, to force electrical rates to a point where the average Newfoundlander cannot afford to heat his home anymore. These programmes had better succeed.

Now, Mr. Speaker, in as far as the programme being available to Newfoundland, these type of programmes have a way of finding themselves being utilized in St. John's. I have no argument with that, but I remember the Minister of Mines and Energy (Mr. Barry) at the committee when this programme was discussed at the Resource Estimates Committee indicating that he was going to find a way to make that programme available to rural Newfoundland. And he suggested

at the end of his programme, 'a booklet on the programme complete with application form is available from the Department of Mines and Energy.' I would hope that the Department of Mines and Energy would go further than that and put them in the post office, put them in the liquor stores, the way they are doing with the propaganda on offshore oil -

SOME HON. MEMBERS: Hear, hear!

MR. G. FLIGHT: - and the propaganda on the constitution. Newfoundlanders would rather be able to pick up a booklet that would show them this kind of a programme than they would have to listen to the propaganda that is being pumped out into every household and every public outlet in this Province. So let us distribute those books that way!

SOME HON. MEMBERS: Hear, hear!

June 11, 1981

Tape No. 2375

DW - 3

MR. SPEAKER (Simms):

Order, please!

The hon. member's time has expired.

Any further statements?

ORAL QUESTIONS

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. L. STIRLING:

Mr. Speaker, I have a question for the Minister of Health (Mr. House). The Minister of Health, I believe, is now aware that he has a nursing shortage in the Province. Some time ago the minister reported to this House that he had sent letters to all of the hospital boards asking them to cut back. Would the minister indicate what kind of response he has had from the hospital boards in connection with his request to cut back?

MR. SPEAKER:

The hon. the Minister of Health.

MR. HOUSE: Mr. Speaker, I have had information back from all hospital boards and they have given me the information I requested and I am currently in the process of responding to that information.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: I wonder if the Minister of Health would now like to correct the information that he gave to this House, at the time that question was asked, in which he said there would be no cutback in existing services as a result of his cutback of four per cent that he requested? Would the Minister of Health now like to correct that information, that in fact he has been told by hospital boards that if they are forced to cut back to the budget approved by the Minister of Health that they in fact will have to cut back on services? Would he now like to correct that information?

MR. SPEAKER: The hon. Minister of Health.

MR. HOUSE: Mr. Speaker, when I sent the letter to the hospital boards and the administrators, I asked them to - I pointed out what the budget was and asked them how they were going, if they could - and the letter is available, I guess - if they could come back to me and tell me how they are going to be able to continue the services and what measures they will take to live within the budget. I am responding to that now. I have their information back and I am responding to it and I do not have to retract any statement that I made because I said at that time we are not anticipating any closures apart from the kind, and this is not related to the budget, the closures that we got today are not related to budget, it is related to nursing shortages and -

MR. STIRLING: Well, you admit there is a nursing shortage? You now admit there is a nursing shortage.

MR. HOUSE:
still stick to that.

- we still stick to that. We

Mr. Speaker, I never said that there was no shortage at the current time. I said yesterday and the day before that there is a shortage and this shortage was expected.

MR. STIRLING:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. Leader of the Opposition.

MR. STIRLING:

Would the Minister of Health table the information, not only the letter he sent out but the responses from the hospital boards that indicated that, unlike the information that the minister gave this House, that the minister has been told that services will have to be cut back? The minister has been told that the services will be cut back. Is it possible that one of the ways that the boards are going to save money - is it possible that one of the ways the boards are going to save money is by working with this nursing shortage in closing beds and cutting back on the number of units open, that that is the only way that they can live with the budget that the minister has given them? In other words, they cannot operate year round; they can only operate at full capacity, for full service, for seven to eight months of the year.

MR. SPEAKER (Simms): The hon. the Minister of Health.

MR. HOUSE: Mr. Speaker, there is in every budget a vacancy factor and this is the normal expectation of the Summer employment in the hospitals. The fact of the matter is if during the Summer you could fully keep everything open, keep fully staffed, I would suggest there would be an over-supply of nurses generally. Normally the situation is every year as it pertains this year. The fact is some crucial shortages in the ICU units - that has been demonstrated, I said that yesterday - but not to any dangerous level.

The fact is, Mr. Speaker, the information that I received back from hospital boards I am not tabling because we are still in the process of dealing with it and I am still in the process of dealing with the hospital boards on the matter. And I will say now, and say categorically, that anything that has eventuated in the closure of some beds in the last few days has nothing to do with the budgetary process. It has to do with the shortage of nurses that was expected this year and that some shortage is more than was anticipated. But generally speaking, it is pretty well what was anticipated.

MR. STIRLING: You now admit it!

MR. LUSH: Mr. Speaker.

MR. SPEAKER: The hon. the member for Terra Nova.

MR. LUSH: Mr. Speaker, I have a question for the Minister of Rural, Agricultural and Northern Development (Mr. Goudie). I wonder if the minister is aware of the financial plight in which the hog and swine producing industry of this Province finds itself? Mr. Speaker, if action is not taken very quickly, it is my understanding that several producers will plunge into

MR. LUSH: bankruptcy. So I want to know if the minister is aware of this situation and, if so, what action he is going to take to solve this problem and to keep this a viable industry.

MR. SPEAKER (Simms): The hon. the Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE: Mr. Speaker, yes, I am completely aware of a number of difficulties which have been encountered by the hog industry, not only in this Province but all across Canada and, to a certain extent, parts of the United States of America. It has to do with a glut situation which developed approximately a year ago and still exists

MR. GOUDIE: at a certain level although not as high a level as it did a year ago. The turnaround which had been projected by federal specialists, and provincial specialists, in our case here, did not occur as quickly as they had projected it would. They are projecting now that the glut situation will relieve itself a little later in the overall projections than had originally been projected to occur.

Also in relation to that, there is another difficulty in the Province itself having to do with the hog industry, and that relates to the time period involved in issuing payments by Newfoundland Farm Products to hog producers in the Province. That particular situation was addressed in the budget which we are presently in the process of having approved through the House, and within a matter of a few days, a week and a half at the most, that particular problem will be rectified as it relates to finances.

MR. LUSH: Supplementary, Mr. Speaker.

MR. SPEAKER (Simms): Supplementary, the hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, the minister has indicated to the House that he is aware that the hog and swine producing industry in the Province is in severe financial trouble but he has not indicated too much what his department plans to do. Could the minister again indicate to the House whether he has received any correspondence or any requests from the hog and swine producers industry requesting some kind of government assistance, and again, if so, what he has done about it?

MR. MOORES: Nothing, nothing.

MR. SPEAKER: The hon. Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE: Yes, Mr. Speaker, we have, since I have become responsible, I, as minister for the agricultural industry in the Province, received, I do not remember the

MR. GOUDIE: number, but there could have been, I would say, half a dozen requests in the last two and a half years that I have been associated with that portfolio. We have responded in every case to the requests that hog producers in the Province have presented to us for financial assistance and the 'crowning response', if I can use that term, to requests by hog producers in the Province for financial assistance, which will shorten the time period involved in the issuing of money to these producers by Newfoundland Farm Products, is being dealt with, as I mentioned, in the budget and as soon as the budget is approved the finances will be there to resolve that short term dilemma that producers find themselves in at the moment.

MR. NEARY: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I have a question for the Minister of Justice (Mr. Ottenheimer) in connection with a statement made a couple of days ago by the Minister responsible for the Environment (Mr. Andrews) and I do not know in what capacity he made the statement, but he made a statement encouraging people of this Province - and we realize, of course, that the government has gone to the dogs - encouraging the people of Newfoundland to use twelve gauge shotguns to shoot roaming dogs.

MR. NEARY:

Will the hon. gentleman indicate to the House whether or not that is legal or whether it is the policy of the government to encourage residents of this Province to arm themselves with sawed-off shotguns, or twelve gauge shotguns to shoot roaming dogs? Is this a policy of this government?

MR. OTTENHEIMER: Mr. Speaker, no, I am not aware that it is a policy.

MR. NEARY: Well, a supplementary, Mr. Speaker.

MR. SPEAKER (Simms): A supplementary. The hon. the member for LaPoile.

MR. NEARY: Then surely the hon. gentleman must be aware that his colleague made a statement to that regard a couple of days ago.

MR. STIRLING: Read it.

MR. NEARY: Yes, I will read it.
'Only twelve gauge shotguns permitted within municipal boundaries - Andrews.'

MR. STIRLING: Which paper is that from?

MR. FLIGHT: The Evening Telegram, a PC paper.

MR. NEARY: And it is quoting the minister: 'People who might have occasion to shoot roaming wild dogs that could pose a threat to their livestock, should make sure the only type of firearm used within municipal boundaries is a twelve gauge shotgun'. Now, would the Minister of Justice (Mr. Ottenheimer) care to tell the House whether or not this is legal, for people to go out indiscriminately with twelve gauge shotguns everytime they see a dog, and take a shot at a dog and have some drunk in this Province go out with a twelve gauge shotgun and probably inadvertently kill some innocent child that may wander into the path?

MR. HANCOCK: How do you know a roaming dog, by a sign on him, or what?

MR. NEARY: Well, that is right.

Would the hon. gentleman - I mean, this is a pretty serious matter. I am sure the hon. gentleman would care to set the record straight as to whether or not this is the policy of this government, to encourage people of the Province to get twelve gauge shotguns, especially if they live within municipal boundaries, for shooting dogs.

MR. SPEAKER (Simms): The hon. the Minister of Justice.

MR. OTTEHEIMER: Mr. Speaker, it would be my opinion that the indiscriminate use of twelve gauge shotguns would not be a wise idea and obviously there would be other means of containing dogs or other animals which wander around.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY Mr. Speaker, surely this government can come up with a more humane way to deal with the dog problem than encouraging every person in Newfoundland who owns livestock to go out and buy a twelve gauge shotgun to shoot the dogs. Would the hon. Minister of Justice (Mr. Ottenheimer) - and I believe the S.P.C.A., if they need assistance, they go to the hon. gentleman - would the hon. gentleman care to tell the House if, in his opinion, there is a more humane way to deal with this problem than the government encouraging people who own

MR. NEARY:

livestock, animals and so forth, to go out and buy twelve gauge shotguns to shoot roaming dogs?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please! I am not sure if it really comes under the purview of the Minister of Justice (Mr. Ottenheimer) to tell the hon. member whether there is a more humane process for shooting dogs. It is a bit unusual. If the minister wishes to answer it, perhaps, but it is a little bit unusual.

The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, I would say that certainly in my experience the vast majority of people who do have problems with roaming animals usually either get in touch with the municipality or with the law enforcement authorities.

MR. SPEAKER: The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker, my question is for the Minister of Development (Mr. Windsor).

MR. STIRLING: Get the Minister of Development back to his seat.

MR. WARREN : Yes, Mr. Speaker, I have a question for the Minister of Development and the question is, is Anaconda Aluminum interested in establishing an aluminum smelting plant in this Province?

SOME HON. MEMBERS: Yes or no.

MR. SPEAKER: The hon. Minister of Development.

MR. WINDSOR: Mr. Speaker, there are at least half a dozen companies who are interested ; Anaconda, yes, is one of them.

MR. FLIGHT: Name the other five.

MR. SPEAKER (Simms): Supplementary. The hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, if they are interested, have they specifically advised His Honour or the minister in which areas they are interested in locating?

MR. SPEAKER: The hon. Minister of Development.

MR. WINDSOR: There is more than one area we are looking at, Mr. Speaker. There are a number of areas in the Province, both on the Island and in Labrador, that we are looking at as possible sites for the establishment of an aluminium smelting plant.

MR. SPEAKER: A final supplementary. The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker, I understand this company can use between 300 and 600 megawatts of power and the minister in the committee stages has said that some of that 600 megawatts of power would come from the Muskrat Falls. Taking this into consideration, would the minister encourage this company or some other company to establish in the Happy Valley-Goose Bay area so that Muskrat Falls could come on stream as fast as possible?

MR. SPEAKER: The hon. Minister of Development.

MR. WINDSOR: Mr. Speaker, that is a major decision that government would have to make but I would suggest that we would be hesitant at least to dedicate the total capacity of one of the Province's greatest resources to one industrial development.

MR. SPEAKER: The hon. member for St. Barbe.

MR. BENNETT: Mr. Speaker, my question is to the Premier. The local preference policy was brought in by the Premier a couple of years ago for offshore employment opportunity for jobs. At this

June 11, 1981

Tape No. 2380

AH-3

MR. BENNETT: time we have another job opportunity,
namely, Cat Arm and I am wondering now if the Premier
and his government would consider giving local preference
for job opportunities on the Northern Peninsula to blend
in with the similar situation that is being created for the
Avalon Peninsula for offshore jobs?

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

PREMIER PECKFORD: I have great difficulty answering that question because it comes from the hon. the Liberal member for St. Barbe (T. Bennett) who just sat in his seat quietly and listened to his leader attack the local preference policy of this government.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: Mr. Speaker.

MR. SPEAKER: The hon. member for St. Barbe.

MR. BENNETT: Mr. Speaker, I am not saying that I am for or against the Premier's local -

SOME HON. MEMBERS: Oh, oh!

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: I am not suggesting that I am for or against the Premier on local preference -

SOME HON. MEMBERS: Oh, oh!

MR. BENNETT: - but I am interested, Mr. Speaker, in people acquiring jobs. I understand, Mr. Speaker, that offshore oil now contributes possibly 600 or 700 jobs, primarily to the Avalon Peninsula. I also understand from information from the hon. the Minister of Manpower and Labour (J. Dinn), Mr. Speaker, that we have a waiting list of about 8,000 people who want jobs in the offshore. And I am wondering, Mr. Speaker, now if the hon. the Premier of the Province will tell us if these people who are on this list in St. John's with your government and your office, will they get preference and go out and take the jobs at Cat Arm away from the people who live in that area of the Northern Peninsula?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I have great difficulty in answering the hon. member. We do not know where he personally stands. We know where his party stands, so I guess the hon. member is soon going to have to take a chair all by himself in one of the other parts of the Assembly because how can the hon. member keep his seat right there and ask about local preference for the Cat Arm development when his own party and his own leader are attacking every day what we are doing? We have now over 650 people today working offshore, two Come By Chances in operation offshore right now, with the great probability that it will go to 1,000 jobs by August when PetroCanada starts off Labrador.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Our policy on local preference for the offshore, our policy on local preference for projects within the Island is well-known, and in Labrador is well-known. It has been established on Hinds Lake, it has been established on the Upper Salmon, and it will be established on other major projects. I am sorry that the member from St. Barbe (T. Bennett) has not listened carefully enough to know what the local preference policy of this government is on all projects where we try to do our best to ensure that that unemployment rate comes down quickly. Come on over, boy!

SOME HON. MEMBERS: Hear, hear!

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

MR. SPEAKER (Simms): A final supplementary, the hon. member for St. Barbe.

MR. BENNETT: Mr. Speaker, it should be recognized that under the present method of local preference hiring, discrimination is very evident against the rest of the Province. You have to live on the Avalon Peninsula to be able to go rap on the door of Manpower and Labour in order to qualify, and if you bug long enough for a job, you might very well get a job, but we have 8,000 people rapping on that door.

June 11, 1981

Tape No. 2381

EL - 3

MR. BENNETT:

And if the Premier wants to be fair about it, will he set up offices in other parts of the Province? It is his brainchild, it is his policy; he believes in it, he believes in local preference. Will he be fair to the rest of Newfoundland, indeed Newfoundland and Labrador, and set up offices, Mr. Speaker, so the people can

MR. BENNETT: themselves go and apply to these offices and get employment rather than to have to drive all the way across here to St. John's and rap on the door looking for jobs?

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

PREMIER PECKFORD: Mr. Speaker, in response to that question, I invite the hon. member seriously - next week, if he would agree, I would invite him to go visit the Zepata Uglund platform. Okay? And if the hon. member will take me up on that I will ensure that transportation is arranged for him to go to the platform, because he will find out if he goes and interviews the Newfoundlanders who are on that platform that it is not St. John's or the Avalon Peninsula dominating.

SOME HON. MEMBERS: Hear, hear!

MR. PECKFORD: I had a great chat with a young man from Campbellton, I had a great chat with a man from the West Coast, the Bay of Islands area, and from Embree. They are from all over this Province. So to say - and the hon. member is not being fair, because unless he has visited these platforms and interviewed these people - the residency requirements are for the Province and there are a lot of Newfoundlanders all over this Province getting a lot of employment from this policy which the hon. member disagrees with.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: All parts of the Province are getting a lot of benefit from this policy which his party - and I can only take him, because if he stays there he must go along with it, otherwise he has to get out, as I understand it, under the British parliamentary system.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: So I would say to the hon. member, the preface to his question, number one, is wrong, is erroneous, and

PREMIER PECKFORD: I would invite him to visit the rigs and see for himself, secondly.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: I have great difficulty answering it when it is inconsistent with the policy over there just articulated again by the number two Leader of the Liberal Party, the man who sits right opposite me there.

So, Mr. Speaker, when and if the hon. member wants to support this government and its very, very progressive policy to help the people of this Province, we will be only too happy to accommodate all questions and inquiries that the hon. member has.

MR. CALLAN: Mr. Speaker.

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

MR. CALLAN: Mr. Speaker, I have a question for the Minister of Mines and Energy.

Within the municipal boundary of Norman's Cove - Long Cove there exists a barite mine purported to be, I think, one of the richest barite deposits possibly in the Province. Now, for more than a year, J. Tyler Mining carried on an operation within the municipality of Norman's Cove - Long Cove in that barite mine. I want to ask the minister how much in the way of royalty did J. Tyler Mining pay to the provincial government for the operation of this mine?

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

MR. BARRY: Mr. Speaker, first of all the hon. member says it is purported to be the richest. Well, it must be purported to be the richest barite deposit by hon. members opposite, because it is not so purported

June 11, 1981

Tape 2382

EC - 3

MR. BARRY:
Department of Mines.

by this government or by the

Secondly, Mr. Speaker, the royalties that were obtained from the operation of this barite mine, I suspect were very small, if any, because the mine is located on a so-called fee simple grant which, through the policy of early

MR. BARRY:

administrations, including an administration to which the hon. member and all his party paid allegiance; administrations in the past made the mistake of alienating these resources forever without proper provision for obtaining proper royalties. So, Mr. Speaker, if I remember correctly I believe we do have an entitlement to a certain amount under the Mineral Lands Taxation system, which this administration brought in, but in terms of royalties under the Minerals Act itself they do not apply because the land had, in a short-sighted fashion, been given away freehold forever many years ago.

MR. CALLAN:

A supplementary, Mr. Speaker.

MR. SPEAKER (Simms):

for Bellevue.

A supplementary, the hon. member

MR. CALLAN:

Mr. Speaker, I think it is common knowledge now, perhaps the minister can either let us know whether this is true or not, but it seems as though J. Tyler and Company have departed.

MR. NEARY:

They skipped out.

MR. CALLAN:

Can the minister inform us whether there will be any further development of this mine, say, during this Summer or this season and who will be doing the developing?

MR. NEARY:

Or anything for the creditors.

MR. FLIGHT:

(Inaudible).

MR. BARRY:

Mr. Speaker, the member should deal with, or I guess if he is a friend of Mr. Flight's, he should deal with the shareholder of this corporation directly, Mr. Speaker. Government is not running the mine. It is a private business operation. It is under a freehold -

MR. CALLAN:

Are you the Minister of Mines?

MR. BARRY: - it is under a freehold grant.

MR. NEARY: How much did he get from the Newfoundland Government?

MR. BARRY: Yes, Mr. Speaker, but we believe in a free enterprise economy whatever members opposite might believe in. We believe in a private sector having an input into the economy of this Province, Mr. Speaker.

MR. CALLAN: Fly-by-night.

MR. BARRY: And if members opposite might recall, during the course of my estimates, when this matter was raised, I attempted to put people on notice that there were mining operations or attempted operations in this Province, Mr. Speaker, that were run on a wing and a prayer and, Mr. Speaker, if there are people going into deals with mining developers they should go in with their eyes open and make sure that they protect themselves.

MR. CALLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, I want to ask the Minister of Municipal Affairs (Mrs. Newhook) a supplementary. I am quoting here from a letter that was addressed on April 21st., to the minister's office. "Within our boundaries," this is from the council, of course, of Norman's Cove, it says, "J. Tyler Mining are mining barite. We know that 10,000 tons of barite has been shipped out of the municipality so far and we figure that", they figure that J. Tyler Mining owes about \$20,000 in business tax, Would the minister confirm or deny that that is owed by J. Tyler Mining as a result of their exploration and their development there? And if it is not true, then is there any protection for

June 11, 1981

Tape No. 2383

NM - 3

MR. CALLAN: the town council there in the
event that some other developer moves in say this Summer?

MR. SPEAKER (Simms): The hon. Minister of Municipal
Affairs.

MRS. NEWHOOK: Mr. Speaker, I do not think I recall that letter. What time did you say it came into my office?

MR. W. CALLAN: April 21st.

MRS. NEWHOOK: Oh, I see. And that was from the town council, was it?

MR. W. CALLAN: Following the minister's visit there during the by-election campaign.

MR. L. STIRLING: Did you make any promises?

SOME HON. MEMBERS: Oh,oh!

MRS. NEWHOOK: No, I did not make any promises, I would like to tell you. I met with the councils out there and I listened to their concerns. It was not a political visit.

But I think I do recall that the council did mention that there were some taxes owed by J. Tyler Moore - J. Tyler and Company, is it?

MR. CALLAN: Yes.

MRS. NEWHOOK: Yes. But there is not anything my department can do about, you know, the collection of those taxes. It is something that the council would have to pursue and I do not know of any way that we can help them really.

MR. G. WARREN: Mr. Speaker.

MR. SPEAKER: The hon. member for Torngat Mountains.

MR. W. CALLAN: A supplementary, Mr. Speaker.

MR. G. WARREN: I will yeild, Mr. Speaker.

MR. SPEAKER: The hon. member for Torngat Mountains yields to the hon. member for Bellevue for a supplementary.

MR. W. CALLAN: Mr. Speaker, let me ask the Premier a supplementary question in this connection. Apparently it seems that both ministers, the Minister of Mines and Energy (Mr. Barry) and the Minister of Municipal Affairs (Mrs. Newhook), are saying that a company moved into the municipality, they moved out, the Province got nothing and neither did the municipality get anything in the way of property taxes or business tax or anything. Let me ask the Premier, then, if there is no legislation in place to protect, say, the municipality of Norman's Cove and the residents there or to protect the government, would the Premier consider introducing some sort of legislation which would protect at least the municipality?

MR. SPEAKER (Simms): The hon. the Premier.
We have about fifteen seconds remaining.

PREMIER PECKFORD: I think there was a problem there that the municipality agreed to allow or turned a blind eye or whatever when the development started in that area. I looked at where the -

AN HON. MEMBER: (Inaudible).

PREMIER PECKFORD: Yes, it is true. I have talked to the council and they took a very unaggressive, I guess, is the best word, approach to the development until suddenly something went wrong, and then the municipality started to become more involved.

Now as I understand it, the municipality that the hon. member refers to, which is in his own constituency, does not have property tax. The hon. member mentioned property tax in his question.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: Oh, they have property tax in!

MR. CALLAN: Yes, they do.

PREMIER PECKFORD: Oh, it is in now and everybody is paying property tax in Norman's Cove-Long Cove? I am sorry.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: Mr. Speaker, I would love to answer the question but I cannot .

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

PREMIER PECKFORD: The hon. member for Torngat Mountains (Mr. Warren) and the hon. member for Windsor - Buchans (Mr. Flight) are interrupting me.

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

PREMIER PECKFORD: I am sorry, Mr. Speaker, but you are interrupting me to.

MR. SPEAKER: I also have to advise the hon. Premier that the time for Oral Questions has now expired.

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

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

MR. NEARY: Mr. Speaker, here it is the 12th of June and about seventy-five or eighty questions on the Order Paper unanswered. Could the hon. Government House Leader (Mr. Marshall) tell us when we are going to get the answers to these different questions?

MR. SPEAKER: Order, please!

You cannot raise a point of order to ask a question, that must be done during Question Period. That is not a point of order, the hon. member is well aware of it.

MR. NEARY: I apologize to the Chair. I misunderstood the rules.

SOME HON. MEMBERS: Oh, oh!

ORDERS OF THE DAY

MR. SPEAKER: Second reading of a bill entitled, "An Act To Amend The Landlord And Tenant (Residential Tenancies) Act, 1973, (No. 2)". Bill No. 88.

The last day debate was adjourned by the hon. member for the Strait of Belle Isle (Mr. Roberts) who has about twenty-six minutes remaining.

AN HON. MEMBER: Hear, hear.

MR. ROBERTS: Thank you, Mr. Speaker.

The first point I wanted to ask was how long I had to address this and secondly, having said that, may I say for the benefit of any who choose to remain in the House, including the pep talk being held out in the hall, that I have some serious concerns I wish to raise which I am sure the minister will treat with whatever weight they

MR. ROBERTS: may be worth. I would say to any of his colleagues without naming any of them, who may feel inclined to play their usual heckle and jeckle game which normally I enjoy, that I would be grateful if they would do me the honour of observing the rules of the House and let me say what I have to say, because I do not have a lot of time, I have only the time that is allowed me by the rules. And, you know, I enjoy jousting with those who come armed or half armed to the battle of wits, but on this occasion the matter, I think, is sufficiently technical and I would like to see if hon. gentlemen opposite would do me the courtesy of allowing me to get through a speech without heckling. I realize I am

MR. CARTER: Talk sense and talk (inaudible).

SOME HON. MEMBERS: Oh, oh!

MR. HANCOCK: Boy, you do not know when you had enough.

MR. ROBERTS: Well, Mr. Speaker, there is an old saying: 'If the cap fits, wear it', and the hon. member for St. John's North (Mr. Carter) is the only person I know who could not even be the second teacher in a one room school.

MR. ROBERTS: Now, I would be grateful if he would allow me - if he does not want to speak on this, that is fine but I would be grateful to him - and I am not going to appeal to the Chair to give me the protection of the rules, I think I know a little about the rules and I am quite prepared to take my chances on the rulings the Chair makes. But my hon. friend from St. John's North, you know, on this one, I do not know if he is a landlord or a tenant. If we were dealing with the Incompetency Act he might well - and we could bring the former Premier as the chief witness to the competency or otherwise of the gentleman from St. John's North. In fact, we could bring two former Premiers, all of the former

MR. ROBERTS: Premiers and presumably the present Premier. Anyway, I want to address a couple of points about this act and let me begin, Mr. Speaker, by dealing with the reason, which I accept, given to us by the Minister of Justice (Mr. Ottenheimer) for the somewhat unusual process that this act has taken. Because, of course, we have two orders on the Order Paper now of bills, acts to amend the Landlord And Tenant Act, and the first one presumably will die and this one presumably will be given second reading and so on through the process and become law.

The first one is being withdrawn in part because of a recent judgement of the Supreme Court of Canada

MR. ROBERTS: In a case called in a matter of a reference to the Court of Appeal pursuant to the Constitutional Questions Act of the Revised Statutes of Ontario, respecting the Residential Tenancies Act, 1979. But, of course, the Minister of Justice (Mr. Ottenheimer) is man enough to admit that the earlier bill is being withdrawn because my friend from Grand Bank (Mr. Thoms) pointed out, with unarguable logic, and I believe impeccable courtesy in doing it privately, that the bill as it came before the House would have achieved an effect well beyond any which, I submit, the minister had in mind when he gave instructions to have it drafted. I think that is a fair statement.

But in any event, whether my statement is correct or not - I believe it to be correct - the fact remains that the Supreme Court of Canada very recently gave a major decision - I do not know if there is a date on this. Yes, on May 28, 1981 - so less than three weeks ago, less than a fortnight ago, in fact, gave a judgement on an Ontario Supreme Court reference, a reference by the Ontario Cabinet to their Court of Appeal. And their Court of Appeal made a judgement which was then taken to the Supreme Court of Canada, not unlike the process which we followed here in referring certain aspects of the proposed constitution changes to our Court of Appeal and that, of course, has gone on to the Supreme Court and we are awaiting that judgement.

Now, the minister has said to us, and the head note in the bill before the House says to us, that certain of the clauses in this bill, (1), (2), (4), (5) and (6), which effectively is everything in the bill except clause (3)

MR. OTTENHEIMER:

And (7).

MR. ROBERTS:

And (7). The (7) is a transitional clause. Yes, (3) and (7) - I think the minister - is to deal with the situation which has come about as a result of the declaration of the law embodied in that Supreme Court of Canada judgement. And what the Supreme Court of Canada said, very briefly, was that certain matters are referred to what are known as Section 96 Courts. In this Province that includes the District court and the Supreme Court and, I think, the Provincial Courts would qualify. We could vest this jurisdiction in the Provincial Courts, I think, whether we do or not, the District Courts - certainly the federally appointed courts, the Section 96 Courts, the District Court and the Supreme Court, its two divisions here in this Province. And the Supreme Court of Canada has said that certain matters cannot be dealt with by a board, they can only be dealt with by these courts. And I think the minister will agree that is the effect of the Supreme Court of Canada ruling. And although that ruling did not grow out of a case that came from Newfoundland, Canada, as much as the Premier will not admit it, is still one nation, has one general legal system, one Supreme Court, and that ruling is law in Newfoundland.

What I would say to the minister is that I am not sure that the bill now before us embodies fully and completely the changes in the law expounded by the Supreme Court in the Residential Tenancies decision.

Now, this is not the place, nor do I have the time, to expound on that in detail. I will raise it very briefly and leave it with the minister so that he can consult with his law officers.

MR. ROBERTS:

I think it is purely a legal question. The answer to it could have immense consequences, as I shall point out. But it is purely a legal question. The head note to the bill says we are taking away, in this bill, from the Residential Tenancies Board and putting into the hands of a court, a Section 96 Court - it happens to be the District Court, it could have been the Supreme Court. If in due course the two are married it will be THE court, the federal court or the federally appointed court in Newfoundland - not the federal court itself, of course - the power to make compliance

MR. ROBERTS:

orders and conviction orders. Now, I will very briefly refer the minister to the decision of Mr. Justice Dickson in the Supreme and that, of course, was the only decision rendered because six of his colleagues concurred and there were no dissents. So, this is the unanimous decision of the Supreme Court of Canada. It happens to be in the words of Mr. Justice Dickson, Mr. Justice Brian Dickson, formerly a New Brunswick practitioner and judge.

On page 2, there are set forth the two questions which the Ontario Cabinet referred to their Court of Appeal. And these two questions are, number one, "is it within the legislative authority of the Legislative Assembly of Ontario to empower the Residential Tenancy Commission to make an order evicting a tenant as provided in the Residential Tenancies Act, 1979?". The answer to that, as found on page 33 of Mr. Justice Dickson's decision which is the concluding page, is no, it is not within the legislative competence to make the power to issue the eviction order lie with the board as opposed to a court.

Secondly, 'is it within the legislative authority of the Legislative Assembly of Ontario as provided in the Residential Tenancies Act to empower the Residential Tenancy Commission to make order requiring landlords and tenants to comply with obligations imposed under that act? And the answer to that question by the Supreme Court in Ottawa was exactly as that given by the Court of Appeal in Ontario, no, it was not within the power. Both levels, I should point out, as the minister will recall, answered each question in the negative.

So, I mean, we have had heaven knows how many judges, twelve or thirteen judges and if you want to do a head count each of them, I gather, has ruled the same way on this situation.

MR. ROBERTS: Well, that effectively guts the Ontario Act, I would think. Now, I have not looked at the Ontario Act but I want to ask the minister is this, and I know my friend from LaPoile (Mr. Neary) is most concerned because it addresses a concern which he raised and expressed very forcefully. I have not looked at the Ontario legislation in any detail and it may be that the power to make orders requiring landlords and tenants to comply with obligations imposed under that act does not extend to rent set orders.

MR. OTTENHEIMER: (Inaudible).

MR. ROBERTS: It is correct?

MR. OTTENHEIMER: It does extend.

MR. ROBERTS: It does not extend. Well, I mean, that raises a question I want to raise with the minister and he may have the answer. Our board has the power to make eviction orders and to make rent set orders and essentially, if one was capsulizing the powers of our board, that is probably not too far off a summary of what it may do.

MR. NEARY: (Inaudible) to stop eviction -

MR. ROBERTS: Well, eviction orders by definition would mean stopping evictions. I mean, it can deal with tenancy and the length of the tenancy and the terms of it and it can also deal with rent set orders. Now, I want to know whether the answer 'no' given by the Supreme Court of Canada and by the Ontario Court of Appeal to that second question deals with our rent set situation, because if it does then the minister will agree with me, I am sure - I have respect for the minister's legal ability - it effectively deguts, castrates our board.

MR. OTTENHEIMER: (Inaudible).

MR. ROBERTS: I am sorry.

MR. OTTENHEIMER: Yes, probably what the hon. member is suggesting is

MR. OTTENHEIMER:

that we have been careful so that the board can still set rents, that that rests with them.

MR. ROBERTS:

Yes, this is the point

and I appreciate the minister's intervention because it is helpful and I think the minister shares my concern. We have a Tenancies Board that is a very important body indeed. It affects a great number of people. We have been told by the Supreme Court of Canada that a board in Ontario may not make eviction orders, only the courts can make them. So we are saying, 'Alright, our board will take either way.'

We have also been told by the Supreme Court of Canada that the board in Ontario may not make orders requiring landlords and tenants to comply with obligations imposed under that act. Now, I do not know whether rent set is an obligation imposed under that act, I know it is an obligation imposed under our act. Our act clearly says the board may set rents and the board may require landlords and tenants to comply with it. And what I say to the minister quite simply - and I am sure he has gathered this by now - is that our board effectively could be deguttled, castrated in the legal sense, neutered, to use a perhaps more polite word -

AN HON. MEMBER:

An eunuch.

MR. ROBERTS:

- made an eunuch in the legal sense, not able to procreate - possibly to enjoy but not to procreate, the definition of eunuchry, I would think. Is that correct, my friend from St. John's South (Dr. Collins)? Would he agree that -

DR. COLLINS:

Is it prōcreate or procreate?

MR. ROBERTS:

Well, perpetuate.

DR. COLLINS:

Perpetuate.

MR. ROBERTS: But would my friend from St. John's South (Dr. Collins) agree that the definition of eunuchry is that one may possibly enjoy but one may not perpetuate? Is that correct? I know he does pediatrics but -

DR. COLLINS: I do not know if you enjoy eunuchry, you enjoy possibly the results of it.

MR. ROBERTS: Well, I will take the hon. gentleman's word for it, obviously, but however -

DR. COLLINS: You brought up the subject, I am only confirming your experience.

SOME HON. MEMBERS: Oh, oh!

DR. COLLINS: Mine was a confirmatory statement.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Butt): Order, please!

MR. ROBERTS: Your Honour may wonder, Sir, what this has got to do with the Landlord and Tenant Act and I will tell you, Your Honour, that a rent set case, boy, is right in there.

The point, though, as the minister will agree, is a very important one. And perhaps the minister when he speaks to close second reading can tell us whether our act is sufficiently different. If our act is the same as the Ontario act, then our act no longer has an effective power vested in our board to set rents, because the bill does not change that. The bill takes out of Section 20, which is the board's powers, the section setting forth the board's powers, several of the powers, but not the power to set rents, and if our act is comparable to the Ontario act it is only a matter of time before somebody goes to the Supreme Court and gets an action put before them in one way or another and strikes down the rent set powers of our act.

MR. NEARY: I thought the Legislature was a sovereign court.

MR. ROBERTS: Well, my friend from LaPoile (Mr. Neary) says he thought the Legislature was a sovereign court - it is, but within the Constitution. And what the Ontario court found was that certain aspects of the legislation were unconstitutional in that the matter could not be placed with a board, it had to be placed with a court. The tenant still has his protection but he must go to a court instead of to a board. That is the effect of the Ontario thing and that is the effect of our bill.

So when I can get the minister's attention again - I realize he has other concerns. But I simply want to leave that point

MR. ROBERTS:

with him because he will agree. And if the Ontario act is the same as ours then I say to him, as a matter of law our board no longer possesses the right to set rents. If the Ontario act has in it a power to set rents, then I would suggest to the minister that our board no longer has the power to set rents as a result of the residential tenancies case, which is a reference and thus not binding, but gives us the view of the Supreme Court and would become binding, I am sure, if an action on an adversary matter were to come before them. And that being so, if that is so, before this bill goes through Committee we ought to amend it further to put the rent set powers in the district court so at least they are somewhere. If they cannot be in the board they should be in the court. But that is one of the points -

MR. NEARY:
(inaudible).

It would be chaos if they

MR. ROBERTS:

Well, I agree with my friend from LaPoile (Mr. Neary), if the rent set power is effectively out of the hands of the board and not in the courts then we have chaos. So that is why I want to raise the matter here now. It is perhaps a technical point but a very important technical point. Obviously it is preferable in many ways to have these in the hands of a board as opposed to in the hands of the courts. But the Supreme Court has said, and this is the law - when we get the constitution home we can start changing the constitution and straightening out these things, but for the time being certain matters can only be dealt with by the Section 96 Courts. And I want to know from the minister whether rent set is one of those because the wording of the Supreme Court of Canada - wording of the questions the Ontario Cabinet put to it dealt with - I read it Your Honour but I will read it again, "To make orders requiring landlords and tenants

MR. ROBERTS: to comply with obligations imposed under the act." And while I have not had an opportunity to look up the Ontario legislation I would suspect that the rent set feature is an obligation under the Ontario act as it is under ours.

Now have I got my point to the minister?

MR. OTTENHEIMER: Yes.

MR. ROBERTS: So I will go on to another point I want to make and we can then hear what he has to say. And, you know, obviously if my concern turns out to be valid, and I admit I have not done all of the research on it, then I would say to the minister that it can be amended in Committee and I am sure we on this side would be quite amenable to that.

But the present bill does not achieve that, the present bill leaves the rent set powers with the Board.

MR. OTTENHEIMER: Purposely.

MR. ROBERTS: Purposely. But correctly?

MR. OTTENHEIMER: To the best of our (inaudible).

MR. ROBERTS: Well, I mean, the minister could only give us the assurance and we are not going to hold him personally responsible we will hold him politically responsible. But, you know, when he has the opportunity he will have to explain it a little more because the questions before the Supreme Court dealt, well I read them, they dealt very broadly and not simply with evictions orders.

Now I want to turn, if I might - Mr. Speaker, if I go a few minutes beyond I would - well, when I come to the time I will ask for leave, but I will be as brief as I can. But there is another point, one which I mentioned to the minister outside the House.

MR. SPEAKER (Baird): The hon. member has ten minutes left.

MR. ROBERTS: I am sorry?

MR. SPEAKER (Baird): You still have ten minutes.

MR. ROBERTS: Oh, well, I can
destroy the government in five minutes and rebuild it in
five more, you know, with this hon. crowd as the government.

MR. STIRLING: Never mind rebuilding it.

MR. ROBERTS: Rebuilding with this hon.
crowd. The Queen's government goes on, It is simply the
ministry that is replaced, and what a relief that would be
to the people of this Province.

MR. WARREN: Wasteful, Wasteful.

MR. NEARY: There would be a different administration
of the Queen's government.

MR. ROBERTS: Yes, as my friend for LaPoile
(Mr. Neary) says it would be a different -

DR. COLLINS: There are only a few of us left over
here to hear but -

MR. ROBERTS: I am sorry?

DR. COLLINS: There are only a few of us left
over here to hear

MR. ROBERTS: All the important ones are here.

DR. COLLINS: - but any small points that you have
to make, we can easily accommodate them.

MR. ROBERTS: Well, I agree with the Minister of
Finance (Dr. Collins) he can deal with small points, that is
what he does deal with. Important points we know how to deal
with them, because we deal with the Minister of Fisheries (Mr.
Morgan). He has made it clear now that whatever he wants he
gets. And, therefore, anything that anybody in Newfoundland
wants, and it should go forth from this time and place -

MR. WARREN: Like the Winter Games in Labrador City.

MR. ROBERTS: Let me be the one to formulate
it but it is a common thought, Sir, a very widely held and widely
applauded thought, that anything that anybody in this Province

June 11, 1981

Tape No. 2389

PK - 4

MR. ROBERTS: wants, if the Minister of Fisheries (Mr. Morgan) wants it he can get it, and if they do not get it it is all his fault. He has single-handily wrestled his colleagues to the ground on this property tax issue,

MR. E. ROBERTS:

wrestled them to the ground, kicked them, hit, fought, argued and convinced them to bring in certain legislation. We are assured by no less a personage than the Minister of Municipal Affairs (Mrs. Newhook). So that is easy now - if we want something in Labrador City the hon. gentleman for Bonavista South (Mr. Morgan) can do it and if it is not done it is his fault.

Now, Sir, let me come back.

I want to talk about some of the words in section (3) of this bill, Your Honour - I will just turn it up here - and in particular sub-section (8). Well, I am sorry, there is only section (3) but it adds a 15.1 and I want to speak of sub-section (8) of 15.1 which gives us the definition of what a group eviction will be. Now, as a number of my colleagues have made quite clear, and as I whole-heartedly agree, group evictions ought not to be tolerated. They ought not to be tolerated. I do not know what was done at the Regency Towers Building here in St. John's. I know what was reported to have been done and if what was done, in fact, was the same as what was reported to be done, then this legislation is fully justified. It was unconscionable and cruel and improper and in every way wrong. It may have been lawful but, of course, that has been taken care of by this bill because what is lawful can be declared unlawful by this House and that is what we are now doing. But it was certainly wrong and cruel and unconscionable and altogether improper.

Now, the question comes what is a group eviction? And this legislation sets up in this sub-section (8) of the new 15.1 of the Act, as it will be embodied by clause (3) of the bill, two separate tests;

MR. E. ROBERTS: one is the circumstance where 50 per cent or more of the tenants of a landlord receive notices to quit their residential premises. And we for our side, Sir, accept that. In fact, my friend for Carbonear (Mr. Moores) made, I thought, a very sound point, 50 per cent is too large. It ought to be less than 50 per cent, it ought to be 40 per cent, 30 per cent, 20 per cent - I mean, I would not even put in - I would leave it to the judges to decide what a group eviction is. A group eviction will be anything out of the normal course of evictions. You know, if two are put out, that in my view could be a group eviction in certain circumstances. What we are trying to do is to stop a landlord putting people out other than in the normal course by which he ought to put them out.

MR. J. CARTER: What about if a landlord sells an apartment house?

MR. E. ROBERTS: My friend for St. John's North (Mr. Carter) asks a very good question: What if a landlord sells? And, you know, that is a good question.

MR. J. CARTER: You as a buyer have a right to vacant possession.

MR. E. ROBERTS: I think that a buyer would have the right to have vacant possession and I will deal with that by coming to the second part of the definition. But that is not a group eviction, as I would view it, because the second part of this definition - and they appear in sub-paragraph A and they re-appear in sub-paragraph B - 'The landlord refuses to renew their leases at or about the same time'. Now, here I would say to the minister that I think perhaps we are going in the wrong direction. The Minister of Mines and Energy (Mr. Barry), in one of his impassioned flights of rhetoric a few months ago, said that this government, the present ministry - what did he say? - is a free enterprise

MR. ROBERTS:

private enterprise - a Tory government. And that is their choice. I am surprised to see this kind of policy enunciated by a Tory government. In trying to point out what these words could do, I will say to my friend for St. John's North (Mr. Carter) to answer his question, there is no way to get vacant possession of a building when you sell it unless you change the use of it, change it from being a rented residential premise to being, I do not know, a store, a shop, an office building.

MR. CARTER: As the member knows this is a loophole where a person could sell an apartment building -

MR. ROBERTS: He can sell it to himself too.

MR. CARTER: - to himself, to his brother and then back again.

MR. ROBERTS: Oh sure. But he can do that for an office building too. I mean, you cannot draw a law, Mr. Speaker, that somebody cannot find a way around. The best evidence of that is the Income Tax Act which started originally as a statute of - I do not know - 50 of 100 sections and is now up to several hundred sections each, some of which run on for ten or fifteen pages. The Income Tax Act in Canada is now about 1,000 pages thick of small print and every year there is an amendment to it, and the purpose of the amendment is to plug another loophole that some clever solicitor or clever accountant or clever businessman somewhere has found. You cannot draw an act. You think this is bad, Mr. Speaker, you watch what is going to happen to the Matrimonial Property Act, you know, where we are going to see some fancy dancey stuff being done by people who do not want to do what they believe they ought not to have to do.

What I am saying is that these words, I suggest, could conceivably interfere with a completely different situation than the one which they are intended to

MR. ROBERTS: deal with and the words I am referring to are, 'The landlord refuses to renew their leases at or about the same time'. They will not prevent a landlord from clearing people out of a building by refusing to renew leases because the words are, 'At or about the same time', and all he has to do is to arrange the termination times of his leases in a staggered fashion. Right?

MR. MOORES: That is correct.

MR. OTTENHEIMER: In conjunction with (b), of course, there is a modification because the area of judicial discretion.

MR. ROBERTS: Yes, I would leave the whole thing to the judicial discretion. If you asked me what is a group eviction I would not have written any legislative guidelines, I would say let us leave it to case law and if we get some case law we do not like then we will change it by statute. I would do for group eviction what the minister is doing for 20.1, because the new 20.1 which is imported by section 7 of this bill, in effect, embodies the criteria set down by Mr. Justice Goodridge of the Trial Division. Agreed?

MR. OTTENHEIMER: Yes.

MR. ROBERTS: I forget the name of the case but there was an action which His Lordship heard, gave judgement and he said, "Here are the kinds of the factors that ought to be taken into account". And what the minister is now doing - and we support it - is 20.1, writes into legislative form what is already the law of this Province as enunciated by Mr. Justice Goodridge. In other words, we are adopting case law because we agree with it in a policy sense. If there was case law we did not adopt or we did not like, then I suggest the minister would bring in a bill changing it. And I suggest that is what we should do on group eviction.

MR. ROBERTS: Your Honour, I have a five minute bell. I wonder if I might have leave at this stage to go -- I will be a minute or three or four beyond the bit.

SOME HON. MEMBERS: Agreed.

MR. ROBERTS: If that is agreed, I will -

MR. CARTER: Provided you are nice.

MR. ROBERTS: My friend from St. John's North (Mr. Carter) adds, 'Provided I am nice'. I would say to him in the same good spirit as he and I normally go at it, that I am as nice to him as he deserves and he can make what he wants of that.

DR. COLLINS: Would the hon. member -

MR. ROBERTS: Well, Mr. Speaker -

DR. COLLINS: Would the hon. member just permit a question on that last point. The method you are suggesting, do you think that might be fine for a relatively long-term solution but if you have short-term problems, could case law build up quickly enough to take care of it?

MR. ROBERTS: Oh, sure, because some tenant of the Regency Towers and -if need be, the minister could fund the tenant. I mean, the minister has a large staff of lawyers, very competent solicitors, any one of whom could be put to work to bring the action. We would have a decision out of the court, I would suggest, very shortly. You know, I think it would work, I think it would deal - because the Regency Towers one, if it has been reported correctly - I do not know what is past because I am not a tenant and I have no knowledge of what has gone on - I am not a landlord down there either or anywhere else - but I have no knowledge of exactly

MR. ROBERTS:

what has passed but if what has been in the newspapers is correct, then that is as clear a group eviction as you could want because I understand everybody there has been given a notice to quit.

MR. OTTENHEIMER:

And I think some of them have been non-renewals unless agreeable to a new rent.

MR. ROBERTS:

Yes, and that -

MR. OTTENHEIMER:

And you get into that point that the hon. member is making when you get non-renewals -

MR. ROBERTS:

Yes. Well, I want to talk about this non-renewals because I think there we are in a little different situation. Let us just look at the present act. The present act gives a landlord security of tenure. And we do not disagree, by the way, with the policy that the ministry are adopting in this bill. I simply want to question some of the words because once they become law - they are easy to change in here. Once they become law, you know, people have to live by them and abide by them and changing them becomes much more difficult.

A tenant now has security of tenure with the exception he can be given three months notice to quit, right? I mean if he has set a fire in the middle of a room in which there is no fireplace, then he can get put out the next day.

MR. CARTER:

What if it is a furnished flat?

MR. ROBERTS:

I am sorry?

MR. CARTER:

What if it is completely furnished.

MR. ROBERTS:

As I understand it, no difference between furnished and unfurnished. As I understand it, but I am no particular expert on this landlord and tenant stuff, the kind of law I do does not involve that kind of work. My understanding is it makes no difference, you cannot defeat the

MR. ROBERTS: Landlord And Tenant Act by putting a bed and couple of chairs and a kitchen table in the apartment.

AN HON. MEMBER: Right on, boy.

MR. ROBERTS: So a tenant, assuming he does not take an axe to the walls and, you know, remodel the place with a pickaxe or something of that order, a tenant has security of tenure.

MR. OTTENHEIMER: That is correct.

MR. ROBERTS: And it really does not matter what the term of his lease says, when the lease ends he can be served with a three month notice, right?

MR. OTTENHEIMER: Yes.

MR. ROBERTS: And at the end of his three month notice, he either stays or leaves. If he stays, as I understand the act, the landlord may choose to carry on at the same rent and the same terms and conditions, in which case there is no question, everything is hunky-dory. If the landlord says well now your lease is up, I want more rent - correct? -

MR. OTTENHEIMER: Yes.

MR. ROBERTS: - then the tenant can say, I agree, in which case again everything is hunky-dory or he can say, I do not agree in which case he may go to the Board on a rent set application and the Board will set the rent. Right?

MR. OTTENHEIMER: Correct.

MR. ROBERTS: But the landlord has the right to serve the notice and to get that tenant out. Supposing a landlord says to a tenant, 'I do not want more rent, I want you out for whatever reason, I want to put my maiden grandmother in as a tenant. The people next door say that they do not want anybody on either side of them and I am willing to go along with them', I mean, whatever the reason is. If it is because the person is the wrong colour or the wrong creed then, of course,

MR. ROBERTS: the human rights legislation operates to come into play. We are not talking of that.

It is not a matter of using- what I am saying is if you attempt to use the notice to quit as a means of raising your rent, the tenant is already protected. I think that is agreed. That is the way the law works. If you attempt to use the notice to quit to try to get a tenant to pay more money, then he -

MR. OTTENHEIMER: I agree.

MR. ROBERTS: - the tenant is protected, the minister will agree? Am I correct?

MR. OTTENHEIMER: Correct.

MR. ROBERTS: He is protected by the Board.

MR. OTTENHEIMER: Right.

MR. ROBERTS: If the tenant does not want to leave the apartment - he can leave if he wants, he does not have to but he can - and if he does not want to pay the increased rent, then he can go to the Board and the Board will make a decision and that resolves it, and that is a very good way to do it. And whether it is the board or a court, you know, there is a

MR. ROBERTS: neutral, impartial third party that gives the binding resolution.

But supposing the landlord just wants to clear out the building, not to get more rent, to clear out the building for whatever reason? Now, it is a policy matter. It is a policy.

MR. OTTENHEIMER: Yes.

MR. ROBERTS: But what I am saying is I do not understand why a landlord ought not to be able to clear out a building. He can do it. If he is relatively clever he can do it by simply structuring it right from the start so that more than - you never get to the point where, you know, it is a concerted effort, and I do not think you would have to be terribly bright to set up your tenancy terms to do that and then you go and argue with a judge.

MR. CARTER: What is to prevent a landlord from making a very strict lease?

MR. ROBERTS: I am sorry? I did not hear the hon. member.

MR. CARTER: What is to prevent a landlord from making a very strict lease whereby all the provisions of this act are negated.

MR. ROBERTS: He cannot. A lease that attempts to vary the act is invalid to that extent, I mean, that is a very wise provision and essential, not uncommon.

MR. OTTENHEIMER: And there are other statutory provisions in the act which cannot be contracted out.

MR. ROBERTS: Yes. In fact, you cannot give up your rights under the act by contract, and anything that purports to achieve that is of no validity. And similarly there is an interesting provision which is a good one in the act, that a tenant is entitled to have a copy of the act given to him, and if you do not give him that, the lease is not binding on him.

MR. ROBERTS: You know, that is a good idea because the average tenant does not even know if there is an act let alone what is in it. I mean, let us face it, even the lawyers half the time do not know what we are doing in here by way of legislation, a person on the street would not.

MR. CARTER: Should not they be consolidated?

MR. ROBERTS: Well, my friend says, should they be consolidated? And the answer is of course, yes.

MR. OTTENHEIMER: I think they are, are they not?

MR. ROBERTS: I suppose there are two answers to that. I assume in due course we will get what is called an office consolidation of this act which simply embodies them together and then presumably in due course the RFN 1970s, which are now hopelessly out of date, they are eleven years old - I assume we are consolidating them, are we? I do not know if the minister is about that or not. We ought to be. And the consolidation is a legal combination and a re-enactment - the consolidated statutes are a re-enactment of the Statute Law of this Province.

MR. CARTER: (Inaudible).

MR. ROBERTS: Yes. I mean, in the meantime any lawyer looking at them is very careful to check amendments, if not, he is being very careless.

But that is my point to the minister. You know, I am all for prohibiting group evictions and if a guy is trying to get people out of a building to raise the rents on them, then I think we should stop that. But if a guy is trying to get people out of the building if he wants his building empty, now maybe that is doing indirectly what he cannot do directly, maybe he gets everybody out and then he says, 'they used to rent for \$300 a month, they are now \$500 a month. anybody who wants to come can come and if you do not want to come,

June 11, 1981

Tape NO. 2393

PK - 3

MR. ROBERTS: they stay empty. But he is taking a chance then on his apartments staying empty. You know, that is his chance. It may or may not be a risk, given the incredible shortage of apartments in St. John's, a shortage, I might say to the minister, which in part is a reaction of the free enterprise economy

MR. ROBERTS:

to the landlord and tenant legislation. Because what is happening - it is also a reaction to the city council tax - what is happening is that the opportunity cost, to use a term that the Minister of Finance (Dr. Collins) would run into - the opportunity cost of apartments is significantly less than the opportunity cost of a great number of other uses of money. If you have money today you can make a devil of a lot more with it by putting it into something other than apartments, given the very strict regulation and the attitude the board has taken. That is just a fact of life. If the hon. the minister were looking for an investment today and went to a counsellor or an advisor downtown, my guess is he would be told that putting your money into apartments is a bum investment compared to a lot of other things you can do with it.

MR. NEARY:

You would have to be insane

to get into it.

MR. ROBERTS:

Well, my friend from LaPoile

says you would have to be insane to get into it; I think probably if you are not insane when you get into it you will be when you get out of it, from what I know of it. But anyway, that is not my concern, but, you know, it is having -

MR. SPEAKER (Simms):

Order, please!

MR. ROBERTS:

I am sorry?

MR. SPEAKER:

Order, please!

If I may interrupt the hon.

member. I apologize.

MR. ROBERTS:

What have I done?

MR. SPEAKER:

No, it is the Late Show.

It being 5:00 P.M., pursuant to

Standing Order 31 (h), I can inform the House that

MR. SPEAKER (Simms): I have received notice of three motions for debate at 5:30 P.M. when a motion to adjourn will be deemed to be before the House.

Notice is given by the hon. the member for Bellevue (Mr. Callan) arising out of a question asked the hon. the Minister of Municipal Affairs (Mrs. Newhook) and the subject matter is Water and Sewer Projects Approvals.

Second notice is given by the hon. the member for Torngat Mountains (Mr. Warren) arising out of a question asked the hon. the Minister of Culture, Recreation and Youth (Mr. Andrews) and the subject matter is Winter Games.

Third notice is given by the hon. the member for Bellevue arising out of a question asked the hon. the Premier and the subject matter is the development of a barite mine in Norman's Cove - Long Cove.

The hon. the member for the Strait of Belle Isle.

MR. ROBERTS: Thank you, Your Honour.
I have just about finished what I wanted to say.

Let me put a suggestion to the minister that I think will meet the policy, as I understand it and as I accept it, and meet the point that I am attempting to elucidate to him. I do not begrudge him consulting with his officials, in fact, if only his colleagues would do more consulting with their officials we would all be better off, but I would suggest to the minister, perhaps between now and Committee stage it might be worthwhile to have a look at simply deleting in sub-paragraph (a) of the new 15.1(8) all the words after 'premises' in that sub-paragraph. So that would end 'receive

MR. ROBERTS: notices to quit their residential premises' - sentence. Then we have (b), and as the minister correctly points out, (b) gives an opportunity to a judge - where there is obviously a scheme, a concerted scheme to turf people out, a judge can come in and could say, 'That we are going to stop.' And that is what we want to stop. We do not want to stop, I assume, a situation where a landlord says, 'I am going to clean out this building; it has eleven apartments, therefore it is caught by this act and I am going to clean it out, I am going to have it go vacant.' That to me is a right a landlord ought to have.

MR. OTTENHEIMER: (Inaudible).

MR. ROBERTS: Yes.

MR. OTTENHEIMER: The hon. member - I realize what he is suggesting with (a) that we delete 'or the landlord refuses to renew' -

MR. ROBERTS: I would not change (b).

MR. OTTENHEIMER: Within (b) would the hon. gentleman also delete that reference 'where judicial discretion is exercised'?

MR. ROBERTS: No.

MR. OTTENHEIMER: Only in (a) and not in (b).

MR. ROBERTS: I would only delete (a);

(a) sets up a definite measurable situation, (b) is a discretion and I would say to the judge, 'We are giving Your Lordship' - or 'Your Honour, down at the District Court place.' You see, (b) does not require 50 per cent; (b) says, 'Where one or more tenants receive notices to quit.' What (b) says is where there is a scheme to clean out so then a tenant, one tenant could go in - and this may meet the point raised by my friend from Carbonear (Mr. Moores)-and say 'Milord,

MR. ROBERTS: only two of us got the order to get out but it is a scheme, having regard to all the circumstances.

MR. OTTENHEIMER: Right.

MR. ROBERTS: Do you see what I mean?

MR. OTTENHEIMER: Oh, yes.

MR. ROBERTS: So, what I am suggesting is that if we take out the words in (a) we still left the landlord the right to vacate, the right to get people out, by letting their leases run out in the normal way, giving them the notice provided by the Act, not raising the rents. If they raise the rents, the landlord raises the rents, then he is right back in the rent set situation. And we have still protected the tenants' rights if it is a group eviction but we have still allowed the landlord the ability if he wishes. I mean, I am not a landlord, I do not have clients who are landlords, you know, it is the area of law that I do not know a great deal about because the practice I am in - that is not what I deal with. I do not even think any of my associates in the firm deal with that, but I think we are, perhaps, unfairly and unduly restricting what I suggest ought to be a valid right. It is not against the law to be landlord. In fact, I am not going to defend landlords, they do not need defense, they need to be nailed and they are, but landlords, you know, are not by definition unlawful and they are performing a certain useful function in that if the landlord did not build an apartment, who would? And there would be no apartments to rent period, would there? So if we make it so that it is impossible to survive as a landlord, then we are going to have no landlords and then we are going to have no apartments. And the result is, all the people who look to rental accommodation as their place to live, that those people are hurt.

MR. ROBERTS: Now, Mr. Speaker, I have gone a little beyond my time and I am grateful to the House. I will conclude by saying I think the policy of the bill is a good one. The purported action by these people - Regency Towers is the one, there may have been others but Regency Towers is the one about which we know - the purported action by these people is indefensible in every stage or every sense of the word. It is lawful but I do not understand how anybody can really expect to get away with it, and I think the House is doing the right thing to stop it and I think the minister is doing the right thing to ask the House to stop it. And like my colleagues on this side I will support this legislation enthusiastically. The comments which I have made speak simply to two technical but, I submit, very important points. I want to be sure the Board is not degouted, that we are not back here next year with an amendment to vest the rent-set power in the District Court because some applications have been taken that destroy the rent-set powers of the Board by virtue of the Residential Tenancies Act, a decision - I am sorry - in the Supreme Court of Canada. And, secondly, while I am all prepared to attack landlords and to ensure that they cannot do in their tenants, I think at the same time we should allow them some rights and one of them is the right simply to terminate, not to raise rents, not a group eviction, but simply to terminate the tenancies in their building. Now, I will leave it at that and if the minister - I do not know if anybody else wants to speak on this - nobody on our side wants to speak - perhaps the minister can close the debate before the Late Show begins and then he might have a look at these points now between and - I think they could be dealt with at Committee stage if, in fact, he and his officials come to the point that the concerns which I have expressed are, in fact, as substantial as I now believe them to be.

Thank you, Sir.

MR. SPEAKER (Butt): If the hon. minister speaks now he closes debate. The hon. the Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, I will deal with the remarks of the hon. member of the Strait of Belle Isle (Mr. Roberts) first and then some of the remarks by other hon. members on the former day this was debated.

When the Supreme Court of Canada decision came down, we made a policy decision and that was that through an amendment to the Act, to transfer to a superior court those matters which it was necessary to transfer

MR. OTTENHEIMER: and, also, of course, not to transfer, not to take away from the jurisdiction of the Residential Tenancies Boards any matters not required to be transferred, because naturally it is a less complicated procedure and a much more quick flowing and less formal procedure with the Residential Tenancies Board. So there was a decision made that obviously what had to be transferred to a superior court would be but that we did not wish to transfer anything from the Residential Tenancies Board, indeed their rent setting ability, unless that were required as a result of a Supreme Court decision.

It is my information and my advice - and this was very carefully looked at - that our act is sufficiently different from the Ontario Residential Tenancies Act that the Supreme Court case itself did not require transferring rent setting, the setting of rents to take that away from the Residential Tenancies Board. In other words, that they still have and continue to have that jurisdiction.

When we get to Committee I have a copy of it here but it needs to be correlated, I think, with another act because in Ontario there are two and probably we can compare, you know, the texts. But the philosophy we went on was obviously we would need to transfer what the Supreme Court required transferred but that we would not take from the Residential Tenancies Board, where the formalities are much less than they would be in a superior court, we would not take from it what was not necessary to take because this would complicate and formalize the procedure for tenants and others. That is the perspective from which we proceeded.

Now, the other two matters referred to by the hon. member for the Strait of Bell Isle (Mr. Roberts) deal with - well, I will call them (a) and (b) here.

MR. OTTENHEIMER: The first one, well, it deals with the definition of group eviction and then under that there are (a) and (b). (a), 'the circumstance where 50 per cent or more of the tenants of a landlord receive notice to quit their residential premises'. That is the first part of (a). The question was raised by the hon. member for the Straits of Belle Isle (Mr. Roberts) and I believe the hon. member for Carbonear (Mr. Moores) as well and perhaps others whether, you know, that percentage was appropriate, whether it should be more, or less, I suppose it could be, as well. In my judgement that is an appropriate guideline and taken in conjunction with (b) where no percentage is referred to - (b) is the judicial discretion area - that the combination of them should give adequate protection.

Now, the second part of (a) which the hon. member for the Strait of Belle Isle, and this is the one he

MR. OTTENHEIMER: takes exception to, or suggests that it should not be there, and it is still definition of group eviction or the landlord refuses to renew their leases at or about the same time. And his suggestion is that we would leave that reference in the judicial discretion part in subsection (b) but take it out of (a). Obviously the inclusion of that stipulation in the definition of group eviction, where the landlord refuses to renew their leases at or about the same time, it would appear to me or certainly it is my opinion, that if we are going to have it in the area of judicial discretion that we should certainly have a specific reference to it. But I think the original intention there was, what we wish to prohibit is the effect of group evictions. It is group evictions but it is the effect of them where a number of people are left - the effect of group eviction is that people for economic reasons are put out.

MR. ROBERTS: (Inaudible).

MR. OTTENHEIMER: Right. Now if the effect of a notice of non-renewal or the effect of non-renewal on a group of people is obviously the same as the effect of an eviction.

AN HON. MEMBER: (Inaudible) protect them against the motives.

MR. OTTENHEIMER: Well now motives, no legislation I think can deal with motives. You know we are not dealing with that. But with the effects. And the effect on - let us take a number - six people and the six people are the recipients of an eviction notice and if we did not enact this legislation -

MR. ROBERTS: A notice that says, I, the landlord am not going to extend your lease, now that is not an eviction notice.

MR. OTTENHEIMER: No, no. The point I am making is that the effect on the tenants is the same in that they no longer may continue to reside in that apartment.

MR. ROBERTS: The deal is up. They made a deal for x months, x months are up.

MR. OTTENHEIMER: Yes, you know, I see that, the deal is up and it is an interference, obviously, in freedom or in rights to contract. But, of course, there are many legislatively imposed or a number of restrictions on the right to contract.

MR. ROBERTS: (Inaudible) the guy using the notice to quit and (inaudible) probably using the notice to quit (inaudible) the rent. Now some guys are saying out and the rest are saying more rent. But why cannot the the landlord just say out?

MR. OTTENHEIMER: Well, the only answer I can give there is that we are endeavouring to deal with is the effect on a group of people. The effect on a group of people of group eviction is that they are out and no longer have a place to live there. The effect on those people of a refusal to renew, the effect is the same and we are thinking in terms of the effect on those people.

MR. ROBERTS: What you are saying then is once you go in, once a landlord lets a tenant in he can never get him out unless the tenant takes a pickaxe to open a new door in the wall?

MR. OTTENHEIMER: Well, obviously a person could be in breach of the statutory conditions -

MR. ROBERTS: No, I am not talking about -

MR. ROBERTS: those. I am talking about -

MR. OTTENHEIMER: - conditions or in breach of the lease or in breach of statutory conditions or the non-payment of rent. And obviously for the reasons mentioned in the bill.

MR. ROBERTS: Yes, I am not talking about those. But other than that he is there for life and his children after him.

DR. COLLINS: Would it help the situation if you had in there the option to review?

MR. OTTENHEIMER: You mean the option -

MR. ROBERTS: I am not sure I understand.

DR. COLLINS: Well, you know, or the landlord refuses the option to review their leases. Because, I mean, if the landlord refuses to renew the leases and the tenant - this is not concerned -

MR. ROBERTS: (Inaudible) about that anyway.

DR. COLLINS: - it is hardly an eviction. But if he does not give them even the option to renew it could be looked upon as (inaudible).

MR. ROBERTS: I mean, a tenant can quit at any time. I mean, all a tenant has to do is give one month's notice or one month's rent in lieu of notice and he is free and clear any time unless he has made a lease for twelve months and then he is bound by that. And I am not even sure he is bound by that. Maybe somebody who does that kind of work would know. But a tenant only - you know, the act is slanted heavily in favour of the tenant and that is fair enough.

But what we are saying - and this is the security of tenure thing that you earlier withdrew the bill for.

MR. OTTENHEIMER: It is a partial security of tenure, not the universal but in terms of groups.

MR. ROBERTS: You are saying once a tenant is in there the landlord can never get him out, never get him out unless the guy refuses to pay his rent or does something of that ilk or unless the guy refuses to pay a rent set by the board. Correct?

MR. OTTENHEIMER: Yes.

MR. ROBERTS: Now, if you want to go that far as a matter of - I do not mean you the minister, I mean you the crowd - want to go that far as a matter of policy then this bill will do it. But that is a long way to go.

MR. OTTENHEIMER: I see the logic from the hon. gentleman's position. I see the logic in his position. Now, I think there is also a logic in the other position.

MR. ROBERTS: Oh sure. But my suggestion would leave it open to a judge to say this is not just a refusal to renew, this is an attempt to do by a refusal to renew what you cannot do by an eviction notice. Right?

MR. OTTENHEIMER: In other words, by leaving it within the judicial discretion area?

MR. ROBERTS: I would leave it within (b), yes.

MR. OTTENHEIMER: Leave it and (b) would continue to read or -

MR. ROBERTS: As it is now.

MR. OTTENHEIMER: As it is now.

MR. ROBERTS: Yes.

MR. OTTENHEIMER: So the result would be that the landlord's refusal to renew would not be specifically identified but would be a factor in (a) but a factor which a court could review in various circumstances.

MR. ROBERTS: And (b) is an alternate to (a). A group eviction has two definitions. One is it is automatically a group eviction where 50 per cent or more of the tenants get notice at the same time. That is obviously

MR. ROBERTS: a group eviction. And we are again those. And then (b) is the circumstances where one or more tenants get either notice to quit or a refusal to renew in circumstances that make it appear to a judge that the primary purpose of issuing a notice to quit is, in effect, a group eviction. Now, that is a good power to give to a judge. It would give a judge considerable opportunity. He would hear the facts and say, "All right, in my view this is a group eviction. If you do not like it down the road to the Court of Appeal".

MR. OTTENHEIMER: Yes, I see the hon. gentleman's - you know, between now and Committee we will certainly give it further consideration. The purpose certainly is to protect people from the effect of the group eviction even though that might be accomplished by a refusal to renew.

MR. ROBERTS: Okay. So without the refusal -

MR. OTTENHEIMER: Now, that could be accomplished within the judicial discretion area without a specific reference in (a).

MR. ROBERTS: Well, I think it could because - we are on common ground then. It is not the refusal to renew that bothers us -

MR. OTTENHEIMER: The effect.

MR. ROBERTS: - it is the refusal to renew when that is a tool to a mass eviction, when that is a means of gaining a group eviction. That is what worries us. Is that correct? I mean I would agree with the minister if that is his view. Then all we have to find are the words to put that view into a statute.

MR. OTTENHEIMER: Of course one - and

MR. OTTENHEIMER: We got a lot of it here - but
What other reason could a person have for refusing to renew
on a group basis if it were not that he were going to take
back and live there himself -

MR. ROBERTS: I will give you a good one -

MR. OTTENHEIMER: - or (inaudible) circumstances?

MR. ROBERTS: - I will give you a very good one
that in my view is valid. The guy makes a bargain to sell his
building, and I would even make it a bona fide sale if you
want but a sale of his building -

MR. OTTENHEIMER: And vacates it.

MR. ROBERTS: - and the guy says one of the con-
of sale is vacant possession. Otherwise you are telling the
landlord he can never sell his building.

MR. OTTENHEIMER: Oh, you are telling him he
cannot sell it with vacant possession.

MR. ROBERTS: Yes, well, and if the purchaser
says I want it with vacant possession or I do not want it.

MR. OTTENHEIMER: No, okay.

MR. ROBERTS: I mean, I think he has the power
to do it but I do not think it would be wise for us to use
our power in that way.

MR. OTTENHEIMER: If the purchaser were going to
use it, of course, for tenancy, then it may not be - and,
of course, if a person, the purchaser, were going to change
the purpose of it -

MR. ROBERTS: Oh, that is covered.

MR. OTTENHEIMER: - then he can get
the people out, but if the purchaser were going to use it for
the same purpose as it originally -

MR. ROBERTS: Sure.

MR. OTTENHEIMER: - was used, then -

MR. ROBERTS: Then he would have to find - he
has to find tenants to go in, does he not?

MR. OTTENHEIMER: Certainly between now and
Committee we will consider -

MR. ROBERTS: I mean, I am not -

MR. OTTENHEIMER: - the suggestion of the hon. member.

MR. ROBERTS: - I am not trying to defeat the
policy.

MR. OTTENHEIMER: No, no.

MR. ROBERTS: I happen to like the policy.

MR. OTTENHEIMER: No, I think we are agreed upon
the policy and, obviously, to prohibit group evictions and
action which - well, the way I would put it and here might be the
difference but whether it is semantic or real is a different
matter - to prohibit the effect of a group eviction.

MR. ROBERTS: Yes.

MR. OTTENHEIMER: It is on the effect of a group
eviction. Now, there is where the difference might be but it
may not be -

MR. ROBERTS: I will tell you how you can
probably - you know, I will tell you how I can defeat the
bill anyway. On a sale, if that worries the minister. If
the minister will - I mean we have -

MR. OTTENHEIMER: That is right.

MR. ROBERTS: - very informal thing.

Under 20.1 -

MR. SPEAKER (Butt): The hon. member for the Strait of Belle Isle.

MR. ROBERTS: - I am allowed to get a fair
and equitable return on my investment, so the present owner
simply sells with possession. You are getting the sort of
thing now that cost guys downtown a lot of money. He sells
with possession to a landlord, to a new owner who is, therefore,
the landlord who pays, you know, \$50 million for the building
on an arm's length transaction. Who is to question that?

MR. ROBERTS: And then he comes in to the Board and he wants a rent set based on his fair and equitable return on investment and that is 15 per cent or whatever on the \$50 million. That is \$7.5 million a year and then there are seventy-five units in the building, that is \$1 million each year or \$80,000 or \$85,000, whatever it works out to, a month on the rent. If I wanted to defeat this Act or anybody else wanted to defeat it, I am sure that there are ways to do it. What I am concerned with is not trying to hamper what I would suggest is a legitimate and proper power to leave with the landlord.

MR. SPEAKER (Butt): The hon. the Minister of Justice.

MR. OTTENHEIMER: But, see, the reference to 20.1, it would be a rent setting factor and if the owner, whether new or former, whatever owner, can establish these criteria then, presumably, the Residential Tenancies Board -

MR. ROBERTS: I said current, fair market value. I mean, an arm's length sale is fair market value. There could be nothing clearer than that.

MR. OTTENHEIMER: With reference to that second part of (a) -

MR. ROBERTS: Have a look at it.

MR. OTTENHEIMER: - it is a matter that when we get to Committee we will certainly consider it.

MR. ROBERTS: It is not the sort of thing you should agree to amend on the floor of the House without having had a look at it, I would suggest, anyway.

MR. OTTENHEIMER: Yes.

So I think, essentially, those were the points covered by the hon. gentleman.

MR. ROBERTS: On the rent set, I am glad to hear what the minister said, but I hope a year from now he is right, because I am sure this act will be challenged on the basis of the Supreme Court decision.

MR. OTTENHEIMER: All I can say is that, you know, the principle one -

MR. ROBERTS: The minister can take advice.

MR. OTTENHEIMER: - obviously, we would have to transfer to a superior court what we were required to. If we did not wish to transfer anything not required to and it was the opinion considered to (inaudible) aware of the circumstances that the rent setting capacity of the Residential Tenancies Boards in Newfoundland (inaudible).

MR. ROBERTS: Well, if somebody does knock it down, you know, the minister can be back here or his successor, as the case may be, can be back here next year, you know, putting in a further amendment. That is no sweat.

MR. OTTENHEIMER: Because nobody knows for sure what, obviously, the court decision will be.

MR. ROBERTS: And all the minister can do is take advice. He gets some good advice and some bad advice,

MR. ROBERTS: I suspect. If only we knew which was wish.

MR. OTTENHEIMER: A couple of days ago other hon. gentlemen raised points and some of them were related to things I think I have already said. You know, there was some reference that this is going to be more difficult now on tenants because jurisdiction goes to superior court and that is true, but there is really nothing I or the government can do about that. There was also some thought that we are interfering too much in the rights of people and government was getting too protective or too regulatory and that people's private rights were being interfered with. There is always a balance, obviously. One could argue, you know, for the pure 'laissez-faire' capitalist viewpoint of the landlord's total rights. I do not think there are many of us in North America - well, I cannot say many in North American society, some obviously do but that is not an approach which this government has taken; we live in a mixed economy and there are certain obligations on a government and on a legislature to protect people. And I do not know that any people will complain too much if we have taken away the right to be the victim of a group eviction. I do not think that that is a right that people will be demonstrating in favour of if we take it away.

On the other matter referred to earlier, certainly, I would be willing to give serious consideration to the points made by the hon. gentleman opposite. I move second reading.

On motion, a bill, "An Act To Amend The Landlord And Tenant (Residential Tenancies) Act, 1973," (No.2) read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 88).

MR. MARSHALL: Mr. Speaker, with the concurrence of the House it would be as well to call it, I think, 5:30 and we could then get out five minutes early rather than get into new business.

MR. SPEAKER (Butt): Is it agreed to call it 5:30?

SOME HON. MEMBER: Agreed.

MR. SPEAKER: Agreed.

It being 5:30 a motion to adjourn is deemed to be before the House. The first matter for debate, raised by the hon. member for Bellevue, water and sewer projects approvals.

The hon. member for Bellevue.

MR. CALLAN: Thank you, Mr. Speaker

Yes, Mr. Speaker, on May 13

which is two days short of a month ago. I stood here in the Legislature and asked the Minister of Municipal Affairs and Housing (Mrs. Newhook) when she would be announcing or whatever the water and sewer projects for the various municipalities for this year? And the minister said that it was before Cabinet. I quote from Hansard of that date, May 13, "All requests received are listed alphabetically", she says, "And it is before Cabinet".

That was a month ago, Mr.

Speaker, and we do not have the list yet. I assume that when it does come it will be tabled in the House like the roads programme list. I am not sure if that is the way it was done last year or not. I know a few years ago it was not done that way. If the members wanted to find out whether or not their districts had any approvals, they had to wait and watch for it perhaps in a tender call, in the newspaper and that sort of thing. And at that time I remember that it was heavily weighted in favour of Tory

MR. CALLAN: districts. I hope that that has changed. I assume it has, and I hope that it has.

Mr. Speaker, I want to mention in particular the request that came in from Torngat Mountains, and I have a copy of a message that was sent to the Premier dated June 3. It says, "An immediate response is requested from your government in relation to the present status of a proposed water and sewer system for Nain for which a government guarantee loan was approved approximately one year ago. Earlier this year the Nain Council met with the hon. Minister of Municipal Affairs and Housing (Mrs. Newhook)" her name is here, "at which time an agreement was reached in relation to the debt retirement of \$170,000 per year on the guaranteed loan and so on.

"Five months later this Council still awaits official word of whether or not the project will go ahead this Summer." So, Mr. Speaker,

MR. CALLAN:

Nain is an example of a town council and a municipality where they have been waiting and are still waiting for approval for water and sewer. Back on May 13th, Mr. Speaker, when I rose in this House to ask the minister about approvals of water and sewer projects, I made particular reference to the municipality of Norman's Cove- Long Cove. Now, Mr. Speaker, at that time I indicated that back in 1975, in the Spring of 1975, water and sewer was approved for that municipality. It was cancelled later on that year, in 1976.

Mr. Speaker, I want to quote from a letter dated August 12, 1976. It is addressed to me as the member for Bellevue and it is on the Department of Municipal Affairs and Housing, Office of the Minister stationery, and it is signed by the minister of that day, the Minister, A. Brian Peckford, the Minister of Municipal Affairs and Housing of that day. And the minister here says, "I refer to your request to the Premier to support the rural district council of Norman's Cove-Long Cove in endeavouring to obtain a water and sewer system. The Premier requested me to investigate and reply on his behalf". And here is what he says, August 12, 1976:

"As you are aware, Project Planning Associates Limited were hired by government to make a study of the whole system in that municipality. They have since prepared detailed designs for phase one." That is five years ago, for phase one. "There was some slight modification to this as the result of comments by the Environment Division". "But", he says, "However, basically the project has reached the stage where tenders can be called for phase one when funds become available". And then he goes on to say, you know, that funds will become available hopefully next year and so on. That is five years ago,

MR. CALLAN:

Mr. Speaker, still no funds available.

I want to ask the new minister, the present Minister of Municipal Affairs (Mrs. Newhook) when she tables that list, will Norman's Cove-Long Cove be on that list? Will Nain be on that list? Town councils which are ready and waiting for it, they have met their priorities, they are in line for it, the need is there and all that sort of thing. Or will the decision this year be made along political lines as it used to be? I hope, Mr. Speaker, that the decision will be made along priority lines, the need and so on.

MR. SPEAKER(Butt):

Order, please!

MR. CALLAN:

I ask the minister.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. Minister of Municipal Affairs.

MRS. NEWHOOK: Yes, Mr. Speaker. First of all I think I would like to respond to the hon. member opposite with regard to Norman's Cove-Long Cove. Now, I do know that in 1977 a grant was provided to that municipality in the amount of \$22,500 for the drilling, I think, of a couple of wells. And in 1978 there was another \$16,000 for the drilling of wells. In 1979 there was also another grant of \$30,000 for wells. And in 1980, just last year, there was \$4,000 spent on something to do with the quality of the water or something like that. I understand too that a couple of wells have been drilled under the Canada Works Programme in that particular community. And last year, in 1980, a study was completed on the water and sewer system for Norman's Cove-Long Cove. The consultants came up with a completion of that study. I think it was completed in December of last year. And the total cost of the water and sewer project in that community is estimated to be \$6 million.

Now, a copy of the study has been sent to the town council of that community and to date, as far as I know, we have not had any response from the council. They have not approved the design or the study and they have not come back to us with a request for us to proceed with the project. And I would also like to point out, Mr. Speaker, that at a cost of \$6 million for water and sewer for that community, it would be a per unit cost of \$22,100 for each service. Now, I think you will agree with me and I think the hon. member opposite will agree that that is indeed very, very costly.

MR. CALLAN: It cost Bonavista \$8.5 million and that was only two-thirds of the water and sewer system. (Inaudible) was Bonavista.

MR. NEWHOOK: Well, I am not sure of the size comparing the two communities but I do believe that

MRS. NEWHOOK:

Bonavista and that particular community is much, much larger than Norman's Cove /Long Cove.

MR. STIRLING: Can the minister tell us when that information is going to be released though, and what monies will be spent this year?

MRS. NEWHOOK: The Capital Works programme, I am hoping to have it released and tabled in the House on Monday morning. I hope so. Not Monday morning, but Monday afternoon when the House opens.

MR. STIRLING: All the announcements will be made over the weekend.

MRS. NEWHOOK: What I did say last week or last time that the question was asked of me in the House, was that it was before Cabinet for approval and it did take, you know, a certain amount of time for Cabinet to make the approval. After the approval is made by Cabinet then we have to wait for a Minute-in-Council to come down on each individual project before I can really do anything about it or even let anyone know what money has been allocated.

MR. SPEAKER (Butt): The second item for debate raised by the hon. member for Torngat Mountains (Mr. Warren) is Winter Games.

The hon. member for Torngat Mountains.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Thank you, Mr. Speaker.

Last Friday, Mr. Speaker, I asked the Minister of Culture, Recreation and Youth (Mr. Andrews) a simple question, did he know about the controversy surrounding the Organizing Committee in Labrador City resigning over the lack of government initiative toward the Winter Games? The minister said at that time he did not

MR. WARREN: know. On Monday I asked him a similar question, and he came back, he said, 'You should ask the question to the Committee members! Now, Mr. Speaker, was that not a bit ridiculous, for a minister of the Crown to say, when there is government money involved, to say go and ask the Organizing Committee what is going on instead of asking the minister.

I understand, Mr. Speaker, that the Premier had to go and look down in the bottom of the barrel to find a minister for sports and recreation and he did come up with a dandy I can say one thing, he came up with a dandy. He does not know any more about sports and recreation than, say, my little five year old kid does.

Now, Mr. Speaker, today he comes in with a five paragraph Ministerial Statement saying that we are going to award another \$100,000 to the Organizing Committee.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: So, Mr. Speaker, it shows again that once a minister of the Crown comes under pressure, they are going to give in. This shows what a weak administration we have.

Now, I strongly suggest to the minister that if the minister follows what he is supposed to do as a minister, and advise the Organizing Committee that 'Look, money will be forthcoming', if he did that last Friday, which he should have done as a minister, which was promised by the former minister, the minister who is the Minister of Transportation (Mr. Dawe) now, if he had done what he should have done as a minister none of this controversy would be arising in Labrador City today, Mr. Speaker.

AN HON. MEMBER: The hon. member is (inaudible).

MR. WARREN:

Mr. Speaker, in Labrador City and Wabush we should realize that there is an isolation problem and this government should be paying more attention to the needs of Labrador. And even if it costs another \$100,000 to have those games go ahead, I believe the minister should get on his feet in a few minutes time and say, 'Look, regardless of how much the Winter Games will cost, we will be funding them'. And this is what the minister should do, Mr. Speaker, stand up and say, 'Look, regardless of how much those games cost, if the Canadian Armed Forces cannot use their aircraft to bring the athletes to and from Labrador, the provincial government will stand the shot', and show Labrador that at least once in a while you do care about Labrador and its people.

Mr. Speaker, I believe then that the minister has been playing a political game with the Organizing Committee in Labrador City and he caused all this controversy. Likewise, when they drew up the format of those Winter Games, Mr. Speaker, they have watered it down, they have taken out two sports altogether. And what is the problem, Mr. Speaker? If we are going to have Newfoundland and Labrador Winter Games - if we are going to have them in St. John's, why can we not have them in Labrador also? And, Mr.

Speaker -

SOME HON. MEMBERS:

Hear, hear!

MR. WARREN:

- I think it is a bit disgusting. Next year, Mr. Speaker, when the Winter Games come up, and they are going to be down on the Bonavista Peninsula somewhere, is he going to water them down again because they are down on the Bonavista Peninsula? Mr. Speaker, if we are going to have a format for the Winter Games, use the same format year after year and not change it according to the geographical location.

MR. WARREN: I think it is a bit disgusting. I think this government should pay more attention to affairs in Labrador.

MR. SPEAKER (Simms): The hon. the Minister of Culture, Recreation and Youth.

MR. ANDREWS: Thank you, Mr. Speaker.
Now, Mr. Speaker, I was asked last Friday why - or I was asked last Monday - the Winter Games Committee resigned and I said at that time it would be better to ask them. And I would say that again, 'It would be better to ask them'.

MR. STIRLING: You said you would find out, on Friday.

MR. ANDREWS: Yes. But why they resigned - it is much better to ask the Committee.

MR. STIRLING: (Inaudible).

MR. ANDREWS: Would you mind listening to me for a second?

I will give the hon. member some information on the Winter Games. The last Provincial Games that were held in this Province were held on the Burin Peninsula last Summer, total cost to the Province \$300,000. When the Games were awarded to Labrador West the situation was analyzed in Labrador West regarding facilities. It was understood and agreed to by the people in Labrador West, including the Organizing Committee, that only a modest amount of money would be required for additional facilities and the remaining money that would be saved would go into the high cost

MR. ANDREWS:

of transportation that would have been necessary to hold the Games there. The initial budget that was accepted by the committee that volunteered and the committee that was struck, was \$380,000. That committee accepted that budget and was quite willing to work within that frame. Even though they knew it might be a little tight, they accepted that responsibility. But, Mr. Speaker, unbeknownst to anybody in-between that time, in about a period of a year, with inflation and high interest rates in this country not brought around by the Committee or this provincial government, the cost of transporting the athletes went to \$250,000 - the cheapest thing that we could find, \$250,000 was the bill that Eastern Provincial Airlines wanted. So the Committee returned about a month or so ago and asked for a meeting, and we met. And they had an idea, a very good idea. They said to me and my officials, 'What about if we go after the Armed Forces?' They have a presence in Labrador; they do not have much of a presence on the Island of Newfoundland, I am sorry to say. 'Perhaps they would be interested.'

MR. WARREN: What? (Inaudible) presence.

MR. DINN: Not very much of a presence in comparison, no.

MR. ANDREWS: Their presence is in Labrador. So we wrote the federal minister responsible for the Armed Forces and we asked him. We also copied on that letter, Mr. Rompkey, who has known all about this ever since. I would like to inform the hon. member that we have not yet received any form of reply regarding that request.

MR. WARREN: Do you not get any money from Ottawa for that sort of thing?

MR. STIRLING: Did you send a copy to Crosbie?

MR. ANDREWS: Mr. Crosbie is not on the government side, I will inform the hon. the Leader of the Opposition.

So we could not wait. It was the Committee's idea to approach the Armed Forces; we did it for them on behalf of the Committee as the Government of Newfoundland. We received no reply whatsoever. So in frustration not only with the Province of Newfoundland but with the Government of Canada, the Committee resigned. I understand the reasons now why they resigned. So we would not wait for Mr. Rompkey or any of his cronies to make up their minds and hold us up to ransom, we went today and allocated another \$100,000 for the Labrador Winter Games.

SOME HON. MEMBERS: Hear, hear!

MR. ANDREWS: The Games will go ahead.

SOME HON. MEMBERS: Hear, hear!

MR. ANDREWS: I have no argument at all with the Committee, it is an excellent Committee. They resigned

MR. ANDREWS: in frustration to the federal government not to us.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (SIMMS): Order! Order!

MR. ANDREWS: We now have on the table \$480,000 for the Labrador West Summer Games, more than one-third more than any Summer Games or Winter Games have ever received in this Province, Mr. Speaker, and I think that that is certainly a fair allocation of money. Now, if Mr. Rompkey wants to help out a little bit more the athletes of Newfoundland and volunteer a few more of his aircraft, or one or two of his aircraft or three, preferably four, we would have a couple of hundred thousand dollars left to spend in Labrador West.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

The final matter for debate raised by the hon. member for Bellevue (Mr. Callan) is the development of a barite mine in Norman's Cove-Long Cove.

The hon. member for Bellevue.

SOME HON. MEMBERS: Hear, hear!

MR. CALLAN: Thank you, Mr. Speaker. Mr. Speaker, I notice that the Premier is not in his place. I assume -

AN HON. MEMBER: (Inaudible).

MR. SPEAKER: Order, please! Order! Order!
The hon. member for Bellevue

has the floor now.

MR. CALLAN: I notice that the Premier is not in his place. I assume that this will be responded to possibly by the Minister of Mines (Mr. Barry) since it has to do with a mine, the barite mine. Let me begin, Mr. Speaker, by quoting from that same letter that I quoted from earlier in the afternoon, dated April 21, 1981. It was addressed to the

MR. CALLAN: Finance Committee in the Department of Municipal Affairs and Housing, Mr. Speaker, and signed by the town clerk.

It starts off by saying, "Dear Sirs; at our recent meeting with the minister, the hon. Hazel Newhook, we outlined some of the problems we are experiencing as a council. She suggested that we would outline these problems to you in letter form." And this is what the council did on April 21st .

Now then, paragraph three, "Within our boundaries, J. Tyler Mining and Exploration Limited are mining barite. We know that 10,000 tons of barite have been shipped out of the site so far. We figure that the amount of business tax owing by J. Tyler Mining is approximately \$20,000.

MR. CALLAN: However, to date we have received nothing. Now, Mr. Speaker, the question that I want to ask, and I asked it earlier in the afternoon - I want to ask two questions of the Premier or the Minister of Mines and Energy (Mr. Barry) in this instance, I assume, what is the Premier, or what is the Premier's administration prepared to do to ensure that his government - his administration, the Queen's government - that his administration and this Province get a fair share, get a royalty, get a fair share of the royalty from any profits pertaining to the development of that mine? Now, earlier this afternoon, Mr. Speaker, the Minister of Mines and Energy, in responding to that question, said, "Well, it was the former administration that gave it away", and all that, and talked about the fee simple and so on. As a matter of fact, Mr. Speaker, that mine was in operation for another purpose around the turn of the century. It was long before, you know, J.R. Smallwood and Confederation and so on, but, I mean, there are ways of changing laws. I mean, this administration is prepared to bring in legislation to change a lot of things and to fight Ottawa for jurisdiction. This mine is not offshore, it is at Colliers Bay Point. It is on land, and there must be ways to ensure that the government can get some royalty out of it.

Number two question, Mr. Speaker, number two, "What is the Premier or his administration prepared to do to ensure that the rural district council of Norman's Cove-Long Cove also gets a fair share of whatever monies and profits might be made there as a result of the development of that mine? Mr. Speaker, if I can quote - and I do not know how much time I have, probably a minute, but I have not got my note yet - anyway, if I can quote from The Daily News, Tuesday, March 3rd., 1981 - that is over three months ago - and it tells here some of the questions that a writer asked regarding that mine and Mr. Bobella. Mr. Bobella and J. Tyler

MR. CALLAN:

Mining I assume now are dead horses so there is no point in flogging a dead horse so let us look to the future. I know and, no doubt, the minister knows that right at this present time, a new consortium of business people from St. John's have gotten together and they plan to reopen and carry on development of that mine. So, what will ensue from that to the government and to the council? Back on March the 3rd., this gentleman says, "What is Mr. Bobella going to do when

MR. CALLAN:

he learns that the playground or no playground" - He promised a playground but it was not delivered obviously. The people in Norman's Cove are gathering to stop the trucks from going through the area, tearing up the roads and keeping us awake. I have been awakened four o'clock in the morning. I mean, barite, as the minister knows, is a very heavy mineral and some of these trucks, you know, are very big. We are scared for our children. You know these are the sorts of things that we have to look to, I think, when a new developer moves in.

MR. SPEAKER (SIMMS): Order!

MR. CALLAN: Will that be taken care of?

Will the town be -

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

MR. BARRY: Mr. Speaker, I enjoy listening to the hon. member.

MR. CALLAN: I want sensible answers now.

MR. BARRY: I enjoy listening to the hon. member. I am going to be totally sensible. I must say, first of all, that I enjoy listening to the hon. member and I hope he stays around for a while this time and that when the next leadership race comes up, which is going to be very quickly by the sound of things, that he hangs in there because he has some good questions and he makes good contributions to debate. He makes good contributions to debate and I want him to hang around. That is the first point.

MR. STIRLING: Answer the questions now.

MR. BARRY: Mr. Speaker, would the Leader of the Opposition (Mr. Stirling) permit me to answer the member's questions. First of all, what are we doing to recover royalties. Now, Mr. Speaker, we, as I say, have

MR. BARRY: a system where there has been a freehold grant, so the ability to recover royalties is very little. However, if the member opposite is referring to what are we doing to recover revenue of various kinds including taxes, then I have to point out to the member that we do have a statute on the books brought in to get a share of the revenue paid by a lessee from the holder of a mining grant. And it is

MR. BARRY: by so doing that we get some reasonable revenue -

AN HON. MEMBER: (Inaudible).

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: I did not hear that.

MR. CALLAN: He said LaScie is down North.

SOME HON. MEMBERS: Oh, oh!

MR. AYLWARD: They do not understand English.

MR. BARRY: I will spell it out for the member if he wishes a little later.

It was by this statute that we were able to get some reasonable share of the revenue from the Wabush Mines operation. Where large payments are going out to Canadian Javelin and Mr. John C. Doyle and where the Province was getting virtually nothing, we are now getting a sizeable share of that revenue. Similarly, the holders of a fee simple mining grant may be liable for a portion of the revenue that they were entitled to receive from the lessee. So what we are entitled to get we will get. You cannot get blood out of a turnip, Mr. Speaker, and this applies to government as well as, Mr. Speaker, to municipalities.

Now, as far as municipalities are concerned, whether it is a mining operation, whether it is a rubber mill, whether it is a chocolate factory, if the operation, Mr. Speaker, is not viable and if it goes up the spout - and I might point out, Mr. Speaker, that government did not put one penny into this operation and if it did go up the spout it did not lose public dollars, unlike the fact of certain insolvencies we have seen in this type of development in other years with other administrations. We did not lose public revenue, Mr. Speaker.

MR. BARRY: Now, Mr. Speaker, we have a situation where there was a mining developer attempting to get a mining operation underway. There was unfortunately somewhat - and I say somewhat - less control over this type of operation because of the fee simple nature of the grant; however, Mr. Speaker, there will be many other occasions when in the mining field there will be attempts to get mines going and some will fail and some will go, because that is the nature of the industry.

Whenever a municipality, Mr. Speaker, is entitled to business tax or property tax, it is not entitled to share in the royalties or revenue from mining operations, they are the resources of the Province as a whole, but if it falls within the boundaries of the municipality they may be entitled to business tax or property tax. Mr. Speaker, then the same rules apply

MR. BARRY:

as apply to any other operation within a municipality. It is up to the municipality to collect its taxes. It is up to the municipality, Mr. Speaker, and the municipality takes the same risk as government does if an operation is not successful. Now, Mr. Speaker, in terms of future prospects for this mining operation, the member has said there is a -

AN HON. MEMBER: (Inaudible).

MR. BARRY: - I will cut it right off very quickly - the member has said there is a new consortium, Mr. Speaker. I would ask people to note whether, in fact, there is a new "consortium" or whether it is the same people with the same name.

MR. CALLAN: Debutantes.

MR. BARRY: Okay, but people should look behind corporate names is what I am saying, Mr. Speaker. And in summation I reiterate again that this is a very risky type of business and anybody putting money into it must do it with their eyes open, including municipalities.

On motion, the House at its rising adjourned until tomorrow, Friday, at 10:00 A.M.