

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
10:00 a.m. - 1:00 p.m.  
FRIDAY, MAY 28, 1981

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

STATEMENTS BY MINISTERS

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

MR. W. MARSHALL: Mr. Speaker, I am pleased to advise the House that the Coastal Labrador DREE subsidiary agreement was signed this morning.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! Order, please!  
The hon. President of the Council.

MR. W. MARSHALL: Mr. Speaker, the agreement was signed by the Government of Newfoundland. The Government of Canada was represented by the Hon. William Rompkey, Minister of National Revenue.

SOME HON. MEMBERS: Hear, hear!

MR. W. MARSHALL: It took place, Mr. Speaker, in the Cabinet room downstairs. And I have to report that a spirit of sweet co-operation permeated the whole proceedings.

SOME HON. MEMBERS: Hear, hear!

MR. W. MARSHALL: Now, Mr. Speaker, while this subsidiary agreement has taken a long time in coming, I am sure it will be of benefit to the people of coastal Labrador, the people who have long suffered with far less than an adequate level of services. This agreement, cost shared between both orders of governments, provides for a total of \$39 million over a six year period. By way of breakdown \$16,000,500 will be

MR. W. MARSHALL: spent on road construction on the Labrador coast. By way of just a slight elaboration of that, I could point out that originally it was proposed to the government that less than a ninety/ten ratio be used for the purpose of constructing the road. The Province could not afford this but the Province had the coastal Labrador road, that Straits road, as a highest priority of this Province so consequently it was forced -

SOME HON. MEMBERS: Oh, oh!

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

MR. W. MARSHALL: Consequently, Mr. Speaker, we were constrained -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! Order, please!  
Hon. members to my right will have an opportunity to respond to the Ministerial Statement. It might be more appropriate to do it then.

MR. W. MARSHALL: Consequently, Mr. Speaker, we had to exercise certain other of our ambitions which we have just merely postponed

MR. MARSHALL: for the Labrador area, but the people of Labrador can rest assured that we will be looking after their interests and we will be pressing further for the inclusion of those elements we otherwise had to take out. So that \$16,000,500 would be spent on the road, \$14,900,000 will be spent on community services such as water and sewer and other worthwhile community projects, and \$3 million will be spent on improving health services and enhancement of community leadership. A further \$3,740,000 will be spent on studies, pilot projects and programme evaluation, while some \$856,000 has been set aside for administrative purposes.

As I indicated earlier, Mr. Speaker, and I indicated downstairs, these monies are sorely needed and are very, very welcome by government. However, at this point, having said that, we must indicate that the Government of Newfoundland is deeply concerned about certain aspects of what has happened here. And I would wish to make the following points and I will make them briefly and succinctly.

Number one, the overall size of the agreement is considerably lower than the approximately -

MR. HISCOCK: The wish list.

MR. MARSHALL: Well, 'the wish list' says the hon. member. I would hope he would join in the wishes because they are the wishes of his constituents.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: The overall size of the agreement, Mr. Speaker, is considerably less than the approximately \$100 million that had been originally envisaged. Now this \$100 million was arrived at, Mr. Speaker, by the Province putting forth the proposals and going to Labrador and hearings were held and it was passed on by the Labrador Resources Advisory Council in Labrador, and the \$100 million was the bare minimum that it was pared down and obviously \$37 million is considerably less than that. So that is the first item of real concern.



MR. MARSHALL:

The second, Mr. Speaker, is the higher level of funding has been arrived at after public meetings, as I indicated, with citizens of Coastal Labrador and it reflected their needs and priorities.

Number three, we are very puzzled and concerned, Mr. Speaker, by the federal decision to remove the fisheries component from the original submission. Putting this component 100 per cent - now what happened here, by way of explanation, the \$100 million was cut down to some \$57 million, in that \$55 million - \$57 million area, and included in that was a fisheries component of some \$15 million. When the final agreement was signed unfortunately that \$15 million has been excised or cut out, because what they are going to do, they are going to put this 100 per cent in the hands of federal fisheries. We do not know the details, we are assured that there is going to be consultation, but, I mean, it is a matter of grave concern because it is contrary to the principles on which the Nation and the Province are supposed to operate.

Another concern is, by doing this, Mr. Speaker, what the federal government in effect is doing, is

MR. MARSHALL: rejecting our ten per cent of funding for fisheries of about \$1.5 million. So in other words they are taking out \$13.15 million, they are not putting in it, We would have put in ten per cent to make up the \$15 million, so they are rejecting \$1,500,000 for the people of the coast of Labrador and the member for Eagle River (Mr. Hiscock) should be very concerned about that.

We are also concerned, Mr. Speaker, that the highways funding in this agreement will not complete the Straits road. Now, you know, it was more or less indicated downstairs, in the course of questioning the impression was given that it would complete bit it will definitely not complete the Straits road. The provincial government is ready today, Mr. Speaker, and it will be ready tomorrow, to sign an agreement for the remaining \$10 million required to complete this project. And I want to make that quite clear, that that Straits road is a top priority of this government. We could only get the smaller amount and we are ready today to sign for the \$10 million for the extra amounts on the Straits road.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. MARSHALL: We are also, Mr. Speaker, extremely concerned with the steadily falling level of DREE funding in this Province and in the nation generally. Now I would just point out in this that to date there has been a total of \$508 million, Mr. Speaker, that has been expended between 1974 and 1979; there was \$508 million. In 1980 an alarming drop occurred in the cash flow of about \$40 million. In 1981 another alarming drop by another \$10 million down to \$30 million, so we are very, very concerned about this. We have the agreements and proposals in Ottawa and we are waiting for them to come back to us. As we said today at the press conference after the signing, we

MR. MARSHALL: regard DREE as being a very important bridge in the transition from the 'have-not' Province, the status which we are, to the 'have' Province to which the Peckford administration is leading the Province and the people of Newfoundland.

SOME HON.MEMBERS: Hear, hear!

MR. MARSHALL: And DREE, Mr. Speaker, is an extremely important element and component. I think it would be rather unfortunate indeed if DREE funding were withheld from people who need it purely and simply because these people need it pending getting the same resources that we feel has some element in the holding back of the DREE monies from us. I do not think that is acceptable to Newfoundlanders, Mr. Speaker, and neither is it acceptable to Canadians.

Now, then, Mr. Speaker, by way of elaboration, I should indicate that our most recent submission to DREE on this matter contained a fisheries development programme of \$15 million. Upgrading of fishery facilities,

MR. MARSHALL:

most of which are provincially owned, is a major priority for fisheries development along the Labrador Coast. We are given to understand that the federal Department of Fisheries and Oceans intends to carry out the Fisheries Development programme entirely on its own. This government is at a loss to understand why at this stage of the game a major component of the original proposal was entirely -

MR. NEARY: (Inaudible).

MR. SPEAKER (Simms): Order, please!

MR. MARSHALL: Now, Mr. Speaker, I do not mind interjection from some members on the other -

MR. NEARY: (Inaudible).

MR. CARTER: This is shocking! This is frightful!

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

MR. MARSHALL: Mr. Speaker, I do not mind interjection from some members but, you know, I can be choosy and the hon. the member for LaPoile (Mr. Neary) I do not have to take interjections from.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: This government, Mr. Speaker, is at a loss to understand why at this stage of the game a major component, as I said, of the original proposal was entirely pulled out and will be funded 100 per cent by and implemented by a federal line programme. At a time of fiscal restraint, we are also at a loss to explain why the federal government would reject our \$1.5 million share which had been committed to the fishery programme. The Minister responsible for Northern Development (Mr. Goudie) will have further to say on this subject.

On a more general note, though, I would make reference to a statement that the Premier

MR. MARSHALL: made in the House of Assembly a few days ago. At that time he indicated that since 1974 a total of nineteen specific DREE subsidiary agreements totalling some \$508 million had been signed. Up until 1978, we had been averaging four agreement signings per year. In the three years since then, only three agreements have been signed, the latest being the Forestry in 1981. No agreements at all were signed in 1980. Yet, Mr. Speaker, it is fair to say that there have been many meetings at the ministerial and officials level concerning a large number of proposals submitted by the Province to DREE.

MR. NEARY: Nasty! Plain nasty!

MR. SPEAKER (Simms): Order, please!

MR. MARSHALL: At present DREE is in receipt of proposals from us on - listen to this, Mr. Speaker - land surveying and mapping, a proposal on NORDCO, on Corner Brook, on pulp and paper modernization, on highways, on the Institute of Fisheries and Marine Technology, on industrial development and on minerals development. A couple of these were first placed in the hands of federal officials as far back as 1977. In 1979, the level of DREE funding in the Province was about \$70 million, and unless a significant number of these outstanding agreements are signed, the level could fall to about half that amount in the current fiscal year.

The Province feels that the Department of Regional Economic Expansion is an excellent vehicle with which to address regional disparities in this nation. We have observed with some considerable concern the fact that DREE's budget, as a percentage of the national budget, has dropped some 33 per cent over the past five years. It would appear that DREE is becoming less and less of a priority in the overall -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. MARSHALL: - in the overall budgetary process  
of the federal government. We are very anxious to see this -

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: We cannot hear what is going on in this House.

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

When the Chair calls order, it  
expects that hon. members will have some respect for the  
authority of the Chair and listen to what the Chair says.  
We would like to have order so we can hear what is being  
said, please.

The hon. the President of the  
Council.

MR. MARSHALL: I said, Mr. Speaker, we are very  
anxious to see this trend stopped and reversed if possible,  
as the problem of regional -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MARSHALL: Mr. Speaker -

MR. SPEAKER (Simms): I must ask the hon. member for St. Mary's - The Capes (Mr. Hancock) specifically, please, to restrain himself from shouting across the floor.

The hon. President of the Council.

MR. MARSHALL: We are very anxious to see this trend stopped, Mr. Speaker, and reversed, if possible, as the problem of regional disparity in this nation is still much with us.

Now in closing, let me reiterate government's pleasure at the signing of this badly needed DREE agreement for Coastal Labrador. However, I would be less than honest if I did not express bewilderment at the extraction of the fishery's section of the original proposal and disappointment that the whole Straits road was not included. As well, I would like to express concern about many other proposals on which we are eager to sign agreements.

And finally, Mr. Speaker, let me express a personal note of thanks, on behalf of the government and the Premier, to the hon. Mr. De Bane for his efforts on our behalf and his sensitivity to our problems. As well, we would like to express government's support for the continuance of his department's mandate within our nation. As I said, DREE is an excellent vehicle to address some of our nation's economic problems and the federal government would be well advised to continue and increase their support of it. And I might say, Mr. Speaker, for the hon. members there are copies available, there will be copies as well, Mr. Speaker, going to Labrador, and I know the people of Coastal Labrador will well like to learn, as we will tell them, that the hon. member for Eagle River (Mr. Hiscock) thinks that their legitimate aspirations are wish lists that should not be fulfilled.

SOME HON. MEMBERS: Hear, hear.

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

MR. SPEAKER (Simms): A point of order has been raised by the hon. member for Eagle River.

MR. HISCOCK: With regard to the statement, with regard to a wish list, I supported and I stood up in this House time and time again with regard to the needs of Labrador. Labrador, if it is going to become an integral part of this Province -

MR. SPEAKER: Order, please!

MR. HISCOCK: - this Province has to do more than ten per cent -

MR. SPEAKER: Order, please!

MR. HISCOCK: - to look after the needs of Labrador.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

I do not believe there is a point of order. The hon. member is taking the opportunity to make an explanation on some remarks that were attributed to him, I suspect, but that is not a point of order.

The hon. Leader of the Opposition has about seven and a half minutes.

MR. STIRLING: Mr. Speaker, I do not know what this Province has come to when on a day when we receive from our minister in the federal Cabinet -

MR. MORGAN: (Inaudible)

MR. SPEAKER: Order, please!

MR. WARREN: Now you close your gap.

MR. LUSH: Remember a closed mouth  
(inaudible).

MR. STIRLING: - as a result, Mr. Speaker, of the untiring efforts of a hard working Newfoundlander, totally committed, has gone to every length to bring about this benefit for the Province of Newfoundland and Labrador -

SOME HON. MEMBERS: Hear, hear.



MR. STIRLING: - I never thought, Mr. Speaker,  
that I would see the day when an acting Premier -

SOME HON. MEMBERS: Oh, oh.

MR. STIRLING: - would show such disappointment  
getting up in this House trying to prove

MR. STIRLING: again and again that Confederation does not work, the anti-Confederate, the ultimate anti-Confederate, and also on anti-Canada.

MR. NEARY: That is right.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Now, Mr. Speaker, -

MR. NEARY: Give it to him.

MR. STIRLING: Now, Mr. Speaker, let us take a look at the inconsistency that we are now seeing come through day after day - inconsistency day after day, Mr. Speaker. Here is a government that says, 'Federal government, stay in your own area of responsibility', and yet, Mr. Speaker, let us look at what this agreement is. This part of the agreement this \$39 million, Mr. Speaker, this part of the agreement, and what does it deal with?

MR. NEARY: He does not have the courage to say it out loud. He has got no guts.

MR. STIRLING: What does he -

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

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

DR. COLLINS: Mr. Speaker, the hon. Leader of the Opposition is trying to make some points. Now it is very difficult to hear these points with the racket going on amongst his colleagues on the other side. There are continual interruptions by his colleagues on the other side. It is very

DR. COLLINS:                   difficult to follow the arguments he is trying to put together. His arguments perhaps are not the smoothest, but nevertheless if one concentrates I am sure there is a thread through them. But it is very difficult to follow that thread when there are continued interruptions.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please!

There is no point of order.

The hon. Leader of the

Opposition.

MR. STIRLING:

Mr. Speaker, that is why

I ignored the comment from a minister over there who said, 'That is a lie, that is a lie, that is a lie; because we are trying to deal with the points that were brought out, Mr. Speaker.

MR. WARREN:

There he is over there.

There he is over there.

MR. SPEAKER:

Order, please!

MR. STIRLING:

Mr. Speaker, let us take

a look at the inconsistency of this government, which says to all of the people in Newfoundland, 'We want to own and control our resources and the federal government stay out of it.' Now here is the federal government - and let us look at the \$39 million; \$16 million for roads, completely a provincial responsibility -

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING:

- absolutely, totally -

SOME HON. MEMBERS:

Hear, hear!

MR. STIRLING:

- and they ignore their

responsibilities. They do not spend the money and it is the DREE Minister who has to come up with \$16 million, through our minister, Mr. Rompkey. Let us look at what else; \$14 million

MR. STIRLING: in community services, Mr. Speaker, totally a provincial responsibility.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: \$3 million on health services, Mr. Speaker, totally a provincial responsibility.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: And \$3 million for studies because the federal government, a Canadian government, a Liberal government is concerned about the people in Labrador, Mr. Speaker, but that is also totally a provincial responsibility. The man does not have the good grace -

MR. FLIGHT: The anti-Confederate.

MR. STIRLING: Mr. Speaker, if the people in Ottawa are a fraction

MR. L. STIRLING: are one thousandth as bad as the President of the Council (Mr. Marshall) thinks -

SOME HON. MEMBERS: Oh, oh!

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

MR. W. MARSHALL: A point of order, Mr. Speaker.

MR. SPEAKER: Order, please!

The hon. President of the Council has a point of order.

MR. W. MARSHALL: Mr. Speaker, the hon. gentleman is not really relevant to the statement. I can advise him - he is debating the statement, Mr. Speaker- but I can advise him, to save himself, that he can reduce the modulation of his tone because Mr. Rompkey has left the precincts of the House right now. He drove him out.

SOME HON. MEMBERS: Oh, oh!

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

That is not a point of order.

The hon. Leader of the Opposition.

MR. L. STIRLING: Mr. Speaker, one of the things that the people of this Province are going to see is that they gave this government a large mandate only two years ago, Mr. Speaker, and they are now seeing that they are not getting the full information, that they are seeing only a political connotation put on everything. Mr. Speaker, we have tried to co-operate with them in the interest of Newfoundland and Labrador and the Newfoundlanders and the Labradorians.

Mr. Speaker, if they have the slightest suspicion in Ottawa that there are people who want to treat this government or the Province in this way, then what they are doing is they are doing their best to destroy DREE. Because, DREE, Mr. Speaker, was developed by the Liberals, by Don Jamieson and others, to come in and

MR. L. STIRLING: help out because this Province does not have the money, and they can have the money. And when they attack DREE in this manner, Mr. -

SOME HON. MEMBERS: Sit down, boy! Sit down!

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

MR. SPEAKER (Simms): Order, please!  
A point of order has been raised;  
the hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, this particular proceeding is not a debate proceeding. Now the hon. Leader of the Opposition (Mr. Stirling) says that the government is trying to destroy DREE. That is purely a debatable point, there is no doubt about that. To state that the government is trying to destroy DREE may be an opinion that someone can legitimately hold, but it is not a statement of fact, it is a debatable point. And I would say that, therefore, the hon. Leader of the Opposition is into an area of debate and that is quite clear and I would ask Your Honour to call him to order.

MR. L. STIRLING: To the point of order, Mr. Speaker.

MR. SPEAKER: To the point of order, the hon. Leader of the Opposition.

MR. L. STIRLING: Mr. Speaker, what we have seen here this morning—we now have had two of the senior ministers get up on points of order that did even require our comment. The Speaker had to rule them out of order immediately. And the only point in doing it, Mr. Speaker, is to try to disrupt, try to allow the people of the Province to see only one side, and that is their prepared release, with the people -

SOME HON. MEMBERS: Hear, hear!

MR. L. STIRLING: Mr. Speaker, they are using the government money, they are using the liquor control, they are using funds of the public to get out a one-sided - and, Mr. Speaker, you have the right to control this and you are controlling it and you are doing an excellent job of

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MR. L. STIRLING: making sure that we get our position  
across in this House. And that point of order, Mr. Speaker,  
as I am sure you will rule, is again not a

MR. STIRLING: point of order, just a delaying tactic because they know how to use up the time.

MR. SPEAKER (Simms): With respect to the point of order, I will say that I think the rules are there for everybody to see and it is clear for both sides to observe. I allowed a great deal of flexibility when the statement was being presented and I therefore allow the same flexibility when the response is being made.

I will say, however, that the last point made by the hon. Leader of the Opposition (Mr. Stirling) is certainly legitimate because his time has now expired.

I would like to, on behalf of all hon. members, before accepting other statements, ask hon. members to join me in welcoming to the galleries today some twenty-five students and their teaches, Mr. Sam Samuels, Mr. Everett Pitts, Mrs. Betty Dobbin and Mrs. Grace Power who are visiting us today from the Green Bay Integrated School in Little Bay, the district of Green Bay. We hope they enjoy their visit.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: And I would also like to welcome to the galleries today, on behalf of all hon. members, the Leader of the Government of the Yukon, the hon. Chris Pearson, who is seated in the upstairs gallery.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements?

The hon. Minister of Rural, Agricultural and Northern Development.



MR. GOUDIE:

Mr. Speaker, as minister responsible for Labrador development, and on behalf of my colleague, the Minister of Fisheries (Mr. Morgan), I feel it incumbent upon me to make a few comments on the exclusion of the fisheries development programme from the Coastal Labrador DREE Agreement.

First of all, government is at a loss to understand why at this late date this programme had to be taken from a DREE agreement and funded and operated by the Federal Department of Fisheries and Oceans. The Provincial Fisheries Department, and my department, are very much aware of the needs of the Labrador Coast and a large number of projects were identified for inclusion in the DREE agreement.

Besides woefully inadequate wharf and loading and unloading facilities, there were about twenty other fish handling facilities in need of improvement and/or expansion. Communities to be covered included L'Anse-au-Clair, Pinware, West St. Modeste, Capstan Island, L'Anse-au-Diable, Webb Bay, Henley Harbour, Cape Charles, Mary's Harbour, Fox Harbour, Williams Harbour, Pinsent Arm, Seal Islands, Port Hope Simpson, and Black Tickle, Cartwright, Rigolet and Makkovik, Postville, Hopedale, Davis Inlet and Nain.

Certain preliminary planning for this work had already been done and, in the case of Nain and Makkovik, detailed plans of certain phases of improvements had been essentially finalized. We are now unsure as to whether or not these projects will be carried out as the Federal Department of Fisheries may be inclined to give priority to other projects.

MR. GOUDIE: At best we can expect delays in projects slated for an early start under the DREE agreement. Because of the recent fisheries conference in L'Anse-au-Clair, federal officials indicated that further preliminary investigations and studies would be needed. If indeed it is the intention of the Federal Fisheries Department to start from scratch on the prioritising and planning of fisheries development projects on the Labrador coast, then substantial construction could be delayed months or even years. This certainly would not be welcome news to the fishermen of Labrador who waited so long for this DREE agreement.

SOME HON. MEMBERS: Hear, hear!

MR. GOUDIE: Before concluding, Mr. Speaker, as a Labrador member I would be remiss in my duties if I did not mention in the DREE context our need for a start on the Trans-Labrador Highway.

SOME HON. MEMBERS: Hear, hear!

MR. GOUDIE: Such a major transportation artery is vital to further development in Labrador and its construction would certainly fit the general DREE mandate. I can only say that it is far too expensive a project for the Province to undertake alone and I would stress the need for the federal government to move this project up on its list of priorities.

In conclusion, Mr. Speaker, for some time now the provincial government has been stressing the need for more co-operation between the two orders of government in matters relating to fisheries. As pointed out earlier, the federal / provincial approach used in the DREE process has worked well and has ensured that DREE funds are spent according to local development of priorities and needs. The extraction of the fisheries component from the Coastal Labrador DREE Agreement is certainly counter to past successful arrangements and I can only hope that the residents of Coastal

MR. GOUDIE: Labrador are not subjected to undue delays.

MR. NEARY: You could not get a road agreement and now you cannot get a fishery agreement.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! I can only conclude that hon. members are having trouble hearing this morning, as the Chair is, because I have called order several times and hon. members are not paying attention to the Chair. When the Chair calls order, it expects to have order.

The hon. minister.

MR. GOUDIE: If I can just conclude, Mr. Speaker. The extraction of the fisheries component from the Coastal Labrador DREE Agreement is certainly counter to past successful arrangements and I can only hope that the residents of Coastal Labrador are not subjected to undue delays in the start-up of some very badly needed projects.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Eagle River has about two minutes.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HISCOCK: Mr. Speaker, I am rather surprised that after signing a \$47 million agreement that here is the government now criticizing the federal government. And, Mr. Speaker, may I say - and this is my own personal opinion - that the federal Minister of Fisheries (Romeo LeBlanc) has taken out the fisheries component because why should he give \$14 or \$15 million to the present Minister of Fisheries (Mr. Morgan) when there was nothing that the federal minister could do that was right.

SOME HON. MEMBERS: Oh, oh!

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MR. SPEAKER (Simms):

Order, please!

MR. HISCOCK:

So, Mr. Speaker, this money will be spent and more will be spent on the Coast of Labrador. The present Minister of Fisheries (Mr. Morgan) has refused to give Rigolet an ice machine.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. HISCOCK:

But may I say, Mr. Speaker, with regard to the Trans-Labrador Highway, LCDC, the Province is wanting the federal government to do everything in Labrador. There is a new organization in Labrador for the rights of

MR. HISCOCK:

Labradorians saying that basic services have to be done by the Province, not by the federal government, and that if it is not, then Labrador should become the eleventh province or go to a territory. So I would say this government cannot continue to shirk its responsibility and put it over on the Minister of Fisheries (LeBlanc) and put it over on the federal government and ask them to do everything for Labrador. Either Labrador is an emotional, integral, moral part of this Province, and if it is not, Mr. Speaker, then the President of the Council (Mr. Marshall), the Minister of Fisheries (Mr. Morgan) or the Minister of Rural, Agricultural and Northern Development (Mr. Goudie) cannot get up in this House and continue to ask Ottawa to do 90 per cent for that part of our Province. And it is this alienation, this emotional alienation - the people feel they are only worth 10 per cent. All the money that is coming into the Province from Labrador has to go back. This government has to stand up and be counted and say that we are going to do 100 per cent in schools. The Minister of Education (Ms Verge) said there are sub-standard schools - no money forthcoming. 'I cannot even get an ice machine,' the member for Torngat Mountains (Mr. Warren) has said. Various things like \$10,000 grants or whatever, we cannot get from this Province.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. HISCOCK: And, Mr. Speaker, this government continues to want Ottawa to do everything. And I would say - and this is a warning to our people -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HISCOCK: - through the press, Mr. Speaker, in concluding, that we, as a people and a government, have to give more provincial attention to Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): Order, please!

I am sure hon. members would like to join me today in welcoming to the galleries, as well, a group of nine students from the Newfoundland School for the Deaf and six from the Institute for the Deaf in Quebec City along with their teachers, or people accompanying them, at least; Mrs. Helen Dunne and M. Jacques Monfete are from Newfoundland; and from Quebec we have Monsieur Louis Cayer. Welcome to the galleries.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Welcome and bien venue.

Any further statements?

ORAL QUESTIONS

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

MR. STIRLING: Mr. Speaker, I have a question for the -

MR. LUSH: Call for an election, 'Len'! Call for an election!

MR. LUSH: Yes, call for an election.

MR. STIRLING: Mr. Speaker, I would love to call an election.

MR. FLIGHT: Dissolve the House and call an election.

MR. STIRLING: Well, I called the last election;

I have been told that I called the last election. The day that we started to get Mr. Jamieson back, in a panic they called the last election.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: Mr. Speaker, any time that they are ready.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER(Simms): Order, please!

MR. STIRLING: Mr. Speaker, since we cannot call an election, we will then have to do away with ministers, one by one, and to the minister who is hanging on now by the teeth, by his fingernails, by his stubbornness, by the arrogance of the President of the Council (Mr. Marshall)-

MR. NEARY: He would never get a job anywhere else.

MR. STIRLING: Mr. Speaker, the question I have for the Minister of Labour and Manpower is in view of the fact that the Board that he is supposed to work with considered it inappropriate that he should intercede with the Board, and in view of the fact that we

MR. L. STIRLING: now have the Brotherhood of Electrical Workers calling for his resignation and the Fishermen's Union calling for his resignation - today it is CUPE calling for his resignation - at what point will the minister live up to the promise that he made to the Federation of Labour, that if Labour no longer wanted him that he would then resign? At what point will the minister then resign? When he gets 50 per cent of Labour against him? - 75 per cent, 90 per cent, 100 per cent? What evidence would the minister like to have in order to then live up to his obligations to Labour and to resign? How much evidence do you need?

MR. SPEAKER (Simms): The hon. Minister of Labour and Manpower.

MR. J. DINN: Mr. Speaker, to the hon. Leader of the Opposition (Mr. Stirling), with all the important things that we have to discuss in this Province, it is unfortunate that the Leader of the Opposition can find only thing to talk about.

The fact of the matter is what I will do with the hon. the Leader of the Opposition's question is that I will take it under advisement. I will study the Mifflin Report again and I will get back to the hon. gentleman.

MR. L. STIRLING: A supplementary, Mr. Speaker.

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

MR. L. STIRLING: Mr. Speaker, at least we now got him started. After four days he is now going to take it under consideration.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!



MR. W. MARSHALL: A point of order, Mr. Speaker.

MR. SPEAKER (Simms): Order, please!

A point of order, the hon.

President of the Council.

MR. W. MARSHALL: My point of order is, Mr. Speaker, the hon. member for LaPoile (Mr. Neary) and the hon. member for St. Mary's - The Capes (Mr. Hancock) - the hon. Leader of the Opposition (Mr. Stirling) is asking a question. He is entitled to be heard in silence. They may not wish to listen to their hon. Leader but we do over here, Mr. Speaker.

MR. L. STIRLING: Mr. Speaker -

MR. SPEAKER: Do you wish to speak to the point of order?

MR. L. STIRLING: No, there is no point of order.

MR. SPEAKER: Well, I have to make a ruling whether there is a point of order or not.

MR. L. STIRLING: Oh, go ahead, rule, Mr. Speaker.

MR. SPEAKER: I would rule that there is no point of order other than the fact that obviously members should try to let members speak in silence.

The hon. Leader of the Opposition.

MR. L. STIRLING: Mr. Speaker, I think that the Speaker is going to have to take a look at doing something to control those kinds of points of order which are just used to delay, delaying tactics only.

Now, Mr. Speaker, getting back to the main issue: It is a problem that the Minister of Labour and Manpower (Mr. Dinn), as shared by this whole government, as shared by what we saw in the earlier statement, a government that has gone into a shell and stopped governing, a government that has just given up and is defending themselves.

MR. L. STIRLING: Would the Minister of Labour and Manpower (Mr. Dinn), who does not obviously feel that this is an important issue, the question of the Minister of Labour and Manpower being able to perform. On this side of the House we consider it very important that there be confidence in the Labour Relations Board, that there be confidence in the Minister of Labour and Manpower. I would ask the Minister of Labour and Manpower why it is that he has not tabled the letter of April 30th? He tabled the letter of April 20th and we tabled the letter of May 19th. Why is it that the minister has not tabled the letter of April 30th. from the Board Chairman to the minister?

MR. SPEAKER (Simms): The hon. Minister of Labour and Manpower.

MR. J. DINN: Mr. Speaker, I was of the impression that it was already tabled. I do not see the point of tabling a letter more than once.

MR. L. STIRLING: It has not been tabled.

MR. J. DINN: It has not been tabled?

MR. L. STIRLING: No.

MR. J. DINN: The letter of April 30th. has not been tabled? Well, I am sure it is public knowledge.

MR. STIRLING: Would you table it?

MR. NEARY: I have not tabled it yet, I will if the hon. minister does not.

SOME HON. MEMBERS: Oh, oh!

MR. STIRLING: Would the minister table it?

MR. DINN: Mr. Speaker, I am apparently going through my correspondence, I will get the appropriate letter. I do not know if I have it here right now but I will certainly go through my correspondence and if I have it I most certainly would table it.

MR. STIRLING: Supplementary, Mr. Speaker.

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

MR. STIRLING: Would the minister indicate, since he explained to us the proper procedure yesterday, now that this has been brought to his attention, does he now consider that when Newfoundland Light and Power brought this to his attention that the matter was before the courts, and in the view of the letter that he has received from the Labour Relations Board, does he now consider that his action was inappropriate? And can we be assured that he will never take such action again?

MR. SPEAKER: The hon. Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, first of all, the letter that I wrote certainly was not inappropriate in my opinion.

SOME HON. MEMBERS: Oh, oh.

MR. DINN: Now in the opinion of some people it is. It is unfortunate that my letter was interpreted by some people to think that it was inappropriate. I certainly do not think it was inappropriate and feel that I still do not have, by the way, a written explanation which I think is necessary, Mr. Speaker.

MR. FLIGHT:

As you have a verbal one?

MR. DINN:

The fact of the matter is that I wrote that letter, the letter was to the Labour Relations Board, and the letter was not made public by me but it was made public by the hon. the Leader of the Opposition (Mr. Stirling) or the hon. member for LaPoile (Mr. Neary). And I think that that was inappropriate because it was before the courts.

MR. LUSH:

Supplementary, Mr. Speaker.

MR. SPEAKER (Simms):

The hon. member for Terra Nova.

MR. LUSH:

Mr. Speaker, respecting again this letter that the minister wrote to the Labour Relations Board, which he was not requested to write, which he was not requested to take any action upon by the Vice-President and General Manager of Newfoundland Light and Power, respecting that letter, again I am trying to get to the point of the question that the minister was alluding to when he says: 'I would be pleased to hear your reaction and response to this important question'.

Yesterday the minister said the question was that he wanted the Labour Relations Board to conduct a hearing. So I wonder if the minister would this morning specifically advise the House and the people of Newfoundland and the labour movement of this Province what it was that he wanted the Labour Relations Board to conduct a hearing on, whether it was the original application made by the IBEW or whether it was the application for an extension of powers because there are two items here? So which was it that the minister was asking for a hearing to be held on, which application?

MR. SPEAKER (Simms):  
Manpower.

The hon. Minister of Labour and

MR. DINN:  
made by the Labour Relations Board. The minister at no time requested a hearing.

Mr. Speaker, there was a decision

MR. FLIGHT:

That you tried to change.

MR. DINN:

- at no time requested that they change their decision, at no time did he state that they should do this or do that, but to please supply him with information with respect to what had happened. That is all.

MR. FLIGHT:

Do not be lying.

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. member for Terra Nova.

MR. LUSH:

Mr. Speaker, I do not have Hansard here, but yesterday clearly I recall having asked the minister to explain the purpose of his letter, to explain the question he was writing about because he clearly finishes the letter by saying, 'I would be pleased to hear your reaction and response to this important question', which indicates there is a question. He did not say to these important circumstances, or to this important situation, but he said to this important question. And when I put the matter to him yesterday he said the question was on whether the Board was going to conduct a hearing. So I have asked him this morning to ask what he wanted the hearing on, whether it was the original application or whether it was the application for the extension of further powers?

MR. SPEAKER:  
and Manpower.

The hon. Minister of Labour

MR. DINN:

The hon. member has all of the information available to him, and he is a gentleman who is well

MR. DINN: educated and can read and understand what is going on. There were allegations made with respect to the fact that the company did not get a hearing. That was alleged in the letter from Mr. Templeton. Now the fact of the matter is that raises a question. When an allegation is made, if I accuse the hon. gentleman of doing something or not doing something, that raises a question as to why.

MR. LUSH: Not necessarily.

MR. DINN: Well, it certainly does. The hon. member for LaPoile (Mr. Neary) accused the hon. member for Harbour Main-Bell Island (Mr. Doyle) of doing something. That certainly raised the question as to whether he did or did not do. The hon. member for LaPoile was consequently shot down.

MR. LUSH: That has nothing to do with it.

MR. DINN: The fact of the matter is the same thing may happen here when I get the response from the Labour Relations Board.

AN HON. MEMBER: You got it.

MR. DINN: Mr. Templeton may be shot down, and that is totally within the powers of the Labour Relations Board.

Now the decision was made as to whether a certification should or should not be given, and it was given. And that is totally within the powers of the Labour Relations Board, totally within. That is the part of the Labour Relations Act that they administer, totally within their powers. Having made that decision and having received allegations about that decision, now I certainly could not answer why a hearing was or was not given. I certainly did not know why a hearing was or was not given. And in order to get that information - because an allegation was made, a question arose as to what the surrounding circumstances were - I said, 'Would you please forward to me the information so that I can answer this important question.'

MR. NEARY: No, you did not say that. That is not true, you did not say that.

MR. LUSH: No, no!

MR. DINN: Mr. Speaker!

MR. NEARY: Give us the answer.

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

MR. NEARY: Give us the answer.

MR. DINN: 'I would be pleased to hear your reaction and response to this important question.'

MR. LUSH: Yes. What question? What question?

MR. DINN: That is the question. The question is there was an allegation made.

MR. LUSH: What allegation?

MR. DINN: Out of that allegation arises the question as to why -

MR. LUSH: What is the allegation?

MR. NEARY: You are the one making allegations.

MR. SPEAKER: Order, please!

MR. DINN: The allegation is made here in the letter from -

SOME HON. MEMBERS: Oh, oh!

MR. DINN: Mr. Speaker, the hon. members opposite -

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

MR. DINN: - the hon. member for LaPoile (Mr. Neary) just got shot down four or five times this week.

MR. NEARY: (Inaudible) by you, by you. Do not be (inaudible).

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Tape No. 1953

NM - 2

MR. DINN: He represents an Andy Davidson  
in this House.

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

MR. DINN: He represents John C. Doyle  
in this House.

MR. NEARY: What is he bawling about?

MR. SPEAKER: Order, please!

MR. DINN: He represents everybody else in  
this House -

MR. SPEAKER: Order, please!

MR. DINN: - but he should start representing  
the people of the district he represents.

MR. NEARY: I do not represent the telephone  
company. Do not be irrelevant.

MR. SPEAKER: The hon. minister must be ready  
to conclude, I think.

MR. DINN: Well, Mr. Speaker, I am attempting  
to answer a question and I am being interrupted by the hon. member  
for LaPoile who is completely out of order and I ask you to call  
him to order.

MR. LUSH: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary, the hon.  
member for Terra Nova, followed by the hon. member for St. John's  
North, followed by the hon. member for Grand Bank.

MR. LUSH: Mr. Speaker, I must say I have  
never seen so many sentences and so many phrases put down on a  
letter without any purpose. The minister, whatever reason we ask  
for the purpose he wiggles and worms his way out of it. Now the  
minister indicates that he was not asking the Board for a hearing  
but yet he writes in the letter, on page two, when he finishes the  
second but last paragraph, he says, "Safety and security of the people



MR. LUSH: of the Province could be affected," with some more preambles, "surely deserves a thorough hearing." Well, Mr. Speaker, he brings it out in the letter that there should be a hearing but yet he says the purpose of his letter was not for that, that it was to relay information.

So, Mr. Speaker, a final question then to the minister, was the purpose of his letter just to relay information to the Labour Relations Board? If it was, why did he not just simply send off the letter sent to him by the Vice-President and General Manager of Newfoundland Light and Power?

MR. NEARY: Why did he attack the union?

MR. SPEAKER (Simms): The hon. Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, I get many representations, not only about the Labour Relations Board, but I get representations from the member for Eagle River (Mr. Hiscock) about the Workers' Compensation Board, I get representations from other members of the House about certain boards that operate under my department -

MR. NEARY: You will not be around much longer.

MR. DINN: - and the fact of the matter is I write letters. I wrote letters to the Workers' Compensation Board -

MR. LUSH: Answer the question.

MR. DINN: - on behalf of a constituent of the hon. member. I wrote a letter to the Labour Relations Board. And there is nothing in that letter. I mean it could be interpreted, I understand -

MR. LUSH: Oh, you do?

MR. DINN: Oh, I certainly understand that it certainly could be interpreted by the - you know, there is none as blind as those who will not see.

MR. LUSH: Oh, yes.

MR. DINN: It can be interpreted. The fact of the matter is I did not look at this and go to a lawyer and say, Now look, I want to write a letter and I do not want to get on dangerous ground here I just want to write a letter to the Labour Relations Board asking, I would be pleased to hear your reaction to -

AN HON. MEMBER: No, would you please hear is what you wanted.

MR. DINN: - allegations. All right? That was the purpose of the letter. That was the sole purpose of the letter. There was never - number one, a decision had been made. There was no - ever any intention on my part to interfere with the Labour Relations Board, I contend that now and I will always contend that. Number three -

MR. NEARY: Too late now, you got caught.

MR. DINN: Number three, Mr. Speaker.  
there are some serious questions that arise out of this 10-04

MR. NEARY: Do the honourable thing and  
go out and resign.

MR. DINN: The hon. member for LaPoile  
(Mr. Neary), Mr. Speaker, is interrupting me again. He is  
obviously breaking the rules of the House and he continues  
to break the rules of the House, and I do not know how we  
can conduct this as a debating forum, conduct this as a  
reasonable operation if this is going to continue.

MR. CARTER: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for St.  
John's North.

MR. CARTER: Mr. Speaker, I have a question that is  
somewhat complex in nature so I will quote my sources in a  
moment from Beauchesne. My question, Mr. Spaker, is addressed  
to the Leader of the Opposition, and in making -

MR. STIRLING: A point of order.

MR. CARTER: I am ready to quote my quote.

MR. SPEAKER: Order, please! The hon.  
member says he has references and he can use them now in the  
debate on the point of order, I guess.

The hon. Leader of the  
Opposition on a point of order.

MR. STIRLING: The Speaker has ruled  
previously in this House that you cannot ask questions of  
the Leader of the Opposition. I would love to answer some  
of the questions, I would love to be in that position, but  
in order to do that we have to move across and if they would  
like to give up, we would be quite happy to move across the  
floor and answer any questions that they have.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: To that point of order, the hon. member for St. John's North.

MR. CARTER: To that point of order, Mr.  
Speaker, I quote Beauchesne, paragraph 357, (a) to (mn).  
It is somewhat negative.

SOME HON.MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please! I would like to hear the submission to the point of order.

MR. CARTER:

If they will not give me some silence and some order, I can hardly make my points. I am quoting Bèauchesne, paragraph 357, 358 (a to f), 359 sections 1 to 12, 360 (1) to (6) and, more importantly, section 366. All of the paragraphs, 357 to 360, have to be looked at in their negative, from the negative point of view.

SOME HON.MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. CARTER:

In that , Mr. Speaker, the principle being what is not denied is therefore permitted. And since my question -

SOME HON.MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! If the hon. members would stop interrupting, I might be able to hear the debate on the point of order and rule on it a little more quickly but all we are doing is making it a little longer.

Does the hon. member have any further submission to this point of order?

MR. CARTER:

No, Mr. Speaker, I merely wish to say that those paragraphs 357 to 360 should be looked upon on the principle that what they do not prohibit they permit. But paragraph 366 is a little more specific.

MR. SPEAKER:

I think the hon. member, unless the hon. members wishes to add another point -

MR. HODDER:

To this point of order, Mr. Speaker.

MR. SPEAKER:

To the point of order.

MR. HODDER:

I just have to stand on it even though it is taking time from Question Period because the member was quoting from 357 to 366. Most of that,

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Tape No. 1954

AH-3

MR. HODDER:

Mr. Speaker, deals with written questions and not with oral questions, and it shows the intelligence and the knowledge of political procedure of the hon. member.

MR. SPEAKER (Simms): With respect to the point of order, there is no point of order. There has been in the past rulings given and, of course, the Standing Orders point out clearly that questions on matters of urgency may be addressed to ministers of the Crown. I think there was a subsequent precedent in this House which allows Parliamentary Secretaries to reply to questions, but other than that I do not believe I would be able to permit a question of the Leader of the Opposition.

The hon. member for Grand Bank.

MR. THOMS: Thank you very much, Mr. Speaker. We are certainly not going to be sidetracked by that big galoot from St. John's North (Mr. Carter).

Mr. Speaker, I have a question I would like to direct to the -

MR. SPEAKER: I am not sure if that is unparliamentary, but I am certain it is not language that we would like to hear in the House and maybe the hon. member would withdraw the words 'big galoot'.

MR. THOMS: I certainly withdraw the words 'big galoot' but the words 'fool' and 'buffoon' are certainly parliamentary.

MR. SPEAKER: Maybe the hon. member has a question. It might be more appropriate to put a question.

MR. THOMS: Yes, Mr. Speaker, I do. I would like to direct a question to the Minister of Labour and Manpower (Mr. Dinn). The minister talks about the Workers' Compensation Board and the Labour Relations Board in one breath but, Mr. Speaker, that is to lead this House astray by speaking about both of them in the one breath because one is a judicial board and the other one is not a judicial board.

Mr. Speaker, the minister, in his letter, refers to a hearing. He said it is 'a denial of natural justice to deny hearing a case such as this.' He refers in his third paragraph to this matter 'surely deserving a

MR. THOMS: thorough hearing' and then he says that he did not ask the board for a hearing. That again is leading this House astray.

MR. NEARY: Completely irrelevant.

MR. THOMS: Mr. Speaker, the minister also says that he is still waiting and still expects an explanation from the Labour Relations Board.

MR. NEARY: After denouncing the minister.

MR. THOMS: Could the minister indicate whether or not, at this moment, he still believes that this judicial body, the Labour Relations Board, is under any obligation whatsoever to give him any explanation once they have made a decision on a case?

MR. SPEAKER: The hon. Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, I would think it would be normal. Now whether they do or do not, that is certainly up to the Board. I mean, the Board, you know, may or may not. But certainly last year I put an action before the Board, I believe it was under Section 118, which is my prerogative as a person in this Province, Anybody can lay -

MR. NEARY: On behalf of the telephone company.

MR. DINN: - Mr. Speaker, and I certainly got a reply to that; I got two or three replies, Mr. Speaker. Now the fact of the matter is is that this, to me, is the same thing. The fact that I did not say, you know, I would like to lay an action before the Board, I mean, I simply asked the Board, 'I would be pleased to hear your reaction' -

MR. NEARY: Yes, to what? Reaction to what?

MR. DINN: - 'and response to this important question' as to these allegations that were being made.

MR. NEARY: What are the words (inaudible)?

MR. DINN: That is what we are talking about.

MR. SPEAKER: Order, please!

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Tape No. 1955

SD - 3

MR. DINN:

It is a simple matter. Now if the Board decides that they do not want to, well, that is fine. That is certainly within their prerogative



MR. DINN: if they do not want to reply. I think it would be unfortunate. I really believe that it would be unfortunate. But it is certainly something that I am not overly concerned about. The Board is one of the boards that comes under the Department of Labour and Manpower and I happened to send them a letter saying, 'I would be pleased to hear your reaction to allegations made in the letter from a certain gentleman.'

MR. NEARY: The allegations were made by you, not by Mr. Templeton.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER(Simms): Order, please!

MR. DINN: The hon. the member for LaPoile -

MR. NEARY: Do not get me wrong now. Think of the question. The accusation and charge were made by you.

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

AN HON. MEMBER: Name him! Name him!

MR. SPEAKER: Order, please! Order, please! Let us see if we can get an answer.

MR. DINN: The gentleman alleges here that he should have gotten a hearing.

MR. NEARY: I have a question, Mr. Speaker.

MR. DINN: It is as simple as that, Mr. Speaker.

And that is what we are talking about. The decision, by the way, had already been made.

MR. NEARY: Mr. Speaker.

MR. THOMS: Sit down!

MR. SPEAKER: Order, please!

MR. DINN: I therefore could not influence a decision that had already been made.

MR. NEARY: Then why did you write?

MR. DINN: I asked for an explanation to be sent back.

MR. THOMS: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. the member for Grand Bank.

MR. THOMS: Mr. Speaker, I would like to inform the Minister of Labour and Manpower (Mr. Dinn) that once a court makes a decision, far be it from me or the President of the Council (Mr. Marshall) to question a judge as to how or why he made that - we just would not do it because it is not done, any more than it is up to the Minister of Labour, I believe, to-

MR. SPEAKER (Simms): Order, please!

The hon. member should have a question.

MR. THOMS: If I may just lead into my question, Mr. Speaker. What you are doing is you are questioning a decision of the Board.

MR. DINN: No!

SOME HON. MEMBERS: Question! Question!

MR. SPEAKER: Order, please!

MR. THOMS: Is the minister saying that in this letter he is not questioning a decision of the Labour Relations Board? Is he saying that? In view of his comments, 'it seems to me to be tantamount to a denial of natural justice to deny hearing this case,' and 'this matter surely deserves a thorough hearing,' in view of those two statements -

MR. NEARY: Made by the minister, not by Mr. Templeton.

MR. THOMS: - the minister does not believe that he is questioning the decision of a judicial body?

SOME HON. MEMBERS: Oh, oh!

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

Before the hon. the minister answers, I would like to make a comment, a further observation, if I may. There have been some rumblings if the minister is too long with his answers. But I would suggest that if questions are lengthy then that will obviously lead to lengthy answers. So maybe if the questions, especially supplementaries, could be a little bit more brief, they may get briefer answers.

The hon. the Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, there is a sequence of events here. An application was put before the Labour Relations Board and the Labour Relations Board made a decision. The decision having been made -

SOME HON. MEMBERS: Oh, oh!

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

MR. DINN: Mr. Speaker, the only thing I can say about all of this is that with all these people in the Opposition so upset with the Minister of Labour and Manpower, I cannot wait for the next election, Mr. Speaker, because I expect to have about fifteen people running down in Pleasantville and I would love to have any one of the hon. gentlemen opposite just to see what the people in Pleasantville say about it.

SOME HON. MEMBERS: Oh, oh!

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

MR. HANCOCK: Mr. Speaker.

MR. SPEAKER: The hon. the member for St. Mary's -  
The Capes.

MR. HANCOCK: Thank you, Mr. Speaker.

I have a question for the Minister of Transportation (Mr. Dawe).

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HANCOCK: I am wondering if at this time, Mr. Speaker, around the Province with the bad road conditions and the dust problem, when the minister is going to table the roads programme for this coming year?

MR. SPEAKER (Simms): The hon. Minister of Transportation.

MR. R. DAWE: Mr. Speaker, as has been the practice for the past two sessions, when the completed Capital Works Project for highroads is finished and all of the final details have been placed, then it will be tabled at that point in time.

MR. D. HANCOCK: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for St. Mary's - The Capes.

MR. D. HANCOCK: Mr. Speaker, in this year's Budget we have \$19 million for improvement and construction. I wonder if the minister could inform the House at this time as to how much of this money has been spent, or is all of the \$19 million going to be spent this year as indicated in the Budget?

MR. SPEAKER: The hon. Minister of Transportation.

MR. R. DAWE: Mr. Speaker, there are certain portions of that \$19 million which are carry-over contracts from programmes that were ongoing last year, and in that case some of that money would have been already committed. I do not know actually if any payments have gone out because the construction season has just started. But there is a certain amount of that money which is already committed.

MR. D. HANCOCK: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for St. Mary's - The Capes.

MR. D. HANCOCK: So, Mr. Speaker, it is only now the people of the Province are realizing that we have not got \$19 million for improvements to roads and construction of new roads this year. Mr. Speaker, that is a bit offensive to say the least. I wonder if the minister could indicate

MR. D. HANCOCK: exactly how much we have for new construction this year?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!  
The hon. Minister of Transportation.

MR. R. DAWE: Mr. Speaker, all the projects, the total \$19 million will be spent on new projects, work to be done this particular Summer, all \$19 million.

MR. D. HANCOCK: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for St. Mary's - The Capes.

MR. D. HANCOCK: Mr. Speaker, the minister is now contradicting himself. But, Mr. Speaker, I will go on to another question. We will get back to that one later on in a supplementary. Calcium, Mr. Speaker, we have not seen any calcium put on the roads of this Province as of yet. I wonder if the minister could indicate who has the contract, and if the contract has been let, why we have not seen any calcium on the roads so far?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! Order, please!  
That is better.  
The hon. Minister of Transportation.

MR. R. DAWE: Mr. Speaker, as I understand it the calcium chloride has been ordered. I am not sure who got the contract. I can certainly find out and have the information for the member.

MR. D. HANCOCK: A final supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary, the hon. member for St. Mary's - The Capes.

MR. D. HANCOCK: Mr. Speaker, I do not believe some of the answers we are getting to the questions here this morning. It is bad enough that we cannot our roads paved, but when you have dust problems around this Province like we are having in some places -

AN HON. MEMBER: Question, question!

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MR. HANCOCK:

I am getting to it, like everyone else.

MR. SPEAKER (Simms):

Order, please!

That is debate.

Do you have a supplementary?

MR. D. HANCOCK:

Yes, Mr. Speaker, I have a question.

Mr. Speaker, I am sure the minister is aware of the problem that a lot of people in this Province are faced with dust. It is bad enough not to get pavement, Mr. Speaker. But can the minister get the information as soon as he can and let the people of this Province know exactly when they will be getting a bit of calcium if they are not going to get any pavement, Mr. Speaker?

MR. SPEAKER:

The hon. Minister of Transportation.

MR. R. DAWE:

Yes, Mr. Speaker, I can certainly find that information out for the member and make it available to him this morning.

MR. S. NEARY:

Mr. Speaker.

MR. SPEAKER:

One final question.

The hon. member for LaPoile.

We have time

for one final question.

MR. S. NEARY:

My question is for the Minister of Fisheries (Mr. Morgan). As members of the House know there is a controversy raging -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The Chair cannot hear.

MR. S. NEARY:

- in Bonavista over the implementation of the property tax. And the hon. gentleman sent a telex by a very prominent committee in that community a week ago yesterday. The hon. gentleman has not responded to the telex inviting the hon. gentleman

MR. S. NEARY: to go down to a meeting and bring down the Minister of Municipal Affairs (Mrs. Newhook) to the meeting. Would the hon. gentleman indicate to the House when he is going to reply to that telex and if he will accede to the wishes of his constituents and attend a public meeting in Bonavista on this matter?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): The hon. Minister of Fisheries has about forty-five seconds to reply.

MR. MORGAN: Mr. Speaker, I will say , first of all, that the hon. gentleman's question is out of order because he cannot ask members of the House questions regarding their districts.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. member is absolutely right. The Chair apologizes. We have time for a ten second question.

The hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, I have a question for the Minister of Transportation (Mr. Dawe), but he is gone.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Any further questions?

MR. WINDSOR: Ask me one about Cat Arm.

The ten seconds are up.

MR. LUSH: Now I will give a question to the Minister of Labour and Manpower (Mr. Dinn). In view of the fact, Mr. Speaker, that his letter was a neutral letter, completely unbiased and this sort of thing, without prejudice, can the minister indicate to the House what was the purpose of the statement which said, 'any extension of the powers of a union in those circumstances -

MR. SPEAKER: Order, please!

The time for Oral Questions has expired.

May I say also on behalf of hon. members that we have in the gallery visiting with us a group of



MR. SPEAKER (Simms): eight students from the Bond Street Adult Education Class along with their instructor, Mr. Bill Smith, and they are from the district of St. John's East. Welcome to the gallery.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Mr. Speaker.

MR. SPEAKER: A point of order, is it?

MR. STIRLING: A point of order.

MR. SPEAKER: A point of order by the -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

A point of order by the hon.

Leader of the Opposition.

MR. STIRLING: Yes, a point of order. Mr. Speaker, the Minister of Labour and Manpower (Mr. Dinn) indicated that he had tabled the letter of April 30. Will he now table the letter of April 30?

MR. SPEAKER: Order, please!

That is not a point of order, that is a question.

o o o

MR. SPEAKER: The hon. Minister of Fisheries.

MR. MORGAN: Mr. Speaker, on a point of privilege of the House.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: A point of privilege by the hon. Minister of Fisheries.

MR. MORGAN: Mr. Speaker, if I can make my point in silence.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MORGAN: Mr. Speaker, the Standing Orders of the House clearly point out that in Question Period, Oral Question Period, the questions are to be asked about urgent matters. And I would like the hon. Speaker in the Chair to determine, to put some kind of definition on urgency of these questions. Because the kind of questioning that we have heard in the last four or five days in this House, in one member's opinion, -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. MORGAN: - Mr. Speaker, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

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

Maybe we could hear very quickly

what the hon. member's point of privilege is, then I will hear from the other side, if they wish, and then I will rule on it.

The hon. Minister of Fisheries.

MR. MORGAN: It is rather difficult to make any point with the noises in the House.

Well, Mr. Speaker, surely there has to be some kind of definition placed on urgency, and the Opposition members asking questions -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MORGAN: - who are the only persons that usually ask questions of ministers, in my view, is not taking advantage of the oral questions in a proper way by asking questions which are of an urgent nature to this Province.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. MORGAN: Mr. Speaker, I would ask that, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

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MR. SPEAKER (Simms):

Order, please!

MR. MORGAN:

Mr. Speaker, I would ask that this House, through your ruling and your guidance, determine some means of placing some kind of definition on the word 'urgency' as pertains to Question Period.

MR. HODDER:

To the point of privilege,

Mr. Speaker.

MR. SPEAKER (Simms): To the point of privilege, the hon. member for Port au Port.

MR. HODDER: To the point of privilege, Mr. Speaker. I have been here in this House for six years and I have never heard points of privilege come up as they have been coming up from members on the opposite side.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HODDER: Now, Mr. Speaker, I think perhaps all members should listen to what I am saying, that Beauchesne is very, very clear as to points of privilege, that they ought rarely to come up in the House, that they should be dealt with by a motion, and that a genuine question of privilege is a most serious matter and should be taken seriously by the House.

It also says, Mr. Speaker, that they are enjoyed by individual members because the House cannot perform without the unimpeded use of the members of the House, and that a member of the House should not be impeded by anything, and a matter of privilege should rarely come up.

Now members opposite are using this very serious - this is very serious, Mr. Speaker - that they are using points of privilege in order to get small, narrow, partisan points across and the Minister of Fisheries (Mr. Morgan) must be burning, burning from Question Period.

MR. SPEAKER: Order, please!

MR. HODDER: - if he has to use this particular serious matter in order to get his point across.

MR. SPEAKER: I thank hon. members for their submissions on the point of privilege raised. May I address the point before I give a ruling on it. First of all, it says in the Standing Order, 31 (a), at least a portion of it, "However, Mr. Speaker shall disallow any question which he does not consider urgent or of public importance." Now if the point is

MR. SPEAKER (Simms): to ask the Speaker to try to determine every question that is asked in this House, whether or not it is of public importance I suggest that that is a very, very difficult thing for the Chair to do. However, the Chair is aware of that and if it does arise when the Chair might feel it is necessary to disallow a question under that Standing Order, then it will do so. But I would have to say that at this particular point in time the point of privilege raised by the hon. Minister of Fisheries is of course - well, I cannot say it is not a point of privilege, it is not my role to do that, but there is no prima facie case.

SOME HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY:

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I beg your pardon?

MR. MARSHALL: Motion 5.

Motion, the hon. the Minister of Fisheries to introduce a bill, "An Act To Amend The Fishing Ships(Bounties)Act," carried. (No. 83)

On motion, Bill No. 83 read a first time, ordered read a second time on tomorrow.

MR. MARSHALL: Motion 6.

Motion, the hon. Minister of Finance to introduce a bill, "An Act To Amend The Members Of The House Of Assembly Retiring Allowances Act," carried.

(Bill No. 84)

On motion, Bill No. 84 read a first time, ordered read a second time on tomorrow.

MR. MARSHALL: Motion 9.

Motion, the hon. Minister of Finance to introduce a bill entitled, "An Act Respecting An Increase Of Certain Pensions," Bill No. 76. Carried.

On motion, Bill No. 76 read a first time ordered read a second time on tomorrow.

Motion, second reading of a bill entitled, "An Act To Amend The Mining And Mineral Rights Tax Act, 1975." Bill No. 10.

MR. SPEAKER (Simms): The last day debate was adjourned by the hon. member for LaPoile who had spoken for about five minutes.

The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, that means I have twenty-five minutes to go.

Mr. Speaker, the point that I wanted to make in connection with this bill is a very important point. And the bill itself, Mr. Speaker, was introduced by the Minister of Finance (Dr. Collins) as being sort of a routine bill. But the minister did not realize, apparently, the implications of this bill. You see what happened, Mr. Speaker, was that the government, apparently, when they brought in the original bill seven years ago, either had it very poorly drafted, it was either poorly drafted or the government did not know what they wanted at the time. But the original bill allowed mining companies who were exploring for minerals in this Province, to write off certain portions of their expenditure. They were allowed to deduct certain parts of their expenditure from the taxes, they were exempt from the taxes.

Now, the minister told us when he introduced the bill the other day, there was some doubt about the original intention of the act. Well, Mr. Speaker, that is seven years ago, that doubt was created seven years ago. Six years ago, that doubt was created, why was the situation not remedied before? Mining

MR. NEARY: companies which have been carrying on exploration in this Province for the last six years, who thought that certain portions of their expenditure were deductible, are now going to find out that they have to pay taxes on these expenditures. And the real fault in this bill - Mr. Speaker, I have no objection to the government trying to clarify the position in the bill, I have no objection to that at all, but the objectionable part of this bill is making it retroactive to January 1, 1975. And I would submit, Mr. Speaker, if that is not unconstitutional that it is certainly pretty close to being unconstitutional. It is certainly undemocratic and a dangerous precedent. It could only happen, as I said the other day, in nazi Germany, in fascist Italy under Mussuloni, or under Idi Amin. These three, apart from Newfoundland, these are about the only three places in the world where it could happen and I doubt if it could happen in Italy today or Germany, but it could happen under nazism, under fascism, or under Idi Amin and in Newfoundland. Newfoundland is travelling in great company these days - nazism, fascism and Idi Aminism.

Mr. Speaker, the last part of this bill is totally wrong. The minister knows it is wrong. You cannot correct a piece of legislation to remedy a weakness in the legislation, especially a tax bill, Mr. Speaker, and then make it retroactive. If that was allowed to happen, for instance, the government if they wanted to could go after the member for St. John's Centre (Dr. McNicholas) for taxes on all the land that he has in this Province. They could say, 'We are not satisfied with the taxes that the hon. gentleman has been paying on that land that he has bought up, that he speculated on.' They could say, 'We are not satisfied with the taxes on the hon. gentleman's land.'

DR. MCNICHOLAS:

Jealousy will not get you

anywhere.

MR. NEARY: No, I am not jealous, Mr. Speaker, but they could say this. The hon. gentleman should pay attention to what I am saying, that the Minister of Finance (Dr. Collins) could say, 'We are not satisfied with the taxes that the hon. the member for St. John's Centre (Dr. McNicholas) is paying on the huge slices of land that he has hoarded in and around St. John's, so we are going to change the act and we are going to charge the member more taxes, and we are going to make it retroactive for six years.' Would the hon. gentleman think that is fair?

AN HON. MEMBER: (Inaudible).

MR. NEARY: No, he does not. He does not think it is fair any more than the mining companies in this country will think it is fair. What will happen when reports of this bill, of the way mining companies are treated in this Province - what happens when the word goes out across Canada, when the mining magazines and the mining journals pick up this piece of legislation and report it to people who are interested in exploring for minerals in this Province? Will it not frighten them away?

DR. COLLINS: Who are you referring to?

MR. NEARY: It could be anybody, I do not know. I am not referring to anybody specific.

DR. COLLINS: Who are you defending? Which mining companies do you have in mind?

MR. NEARY: Who am I defending? I am defending the mining companies. I hope I am. Wabush Mines, the Iron Ore Company of Canada, the people who are exploring for potash down in St. George's.

DR. COLLINS: (Inaudible).

MR. NEARY: No, but it is the principle of the bill we are debating, is it not?

MR. MOORES: The principle of the bill (inaudible) not fair.

MR. NEARY: It is certainly not.



MR. NEARY:

Mr. Speaker, if the hon.

gentleman has information for the House that he is not giving the House, I would submit that he provide the House with the information. This is second reading and we are arguing a principle of a bill. And the principle of this bill is that the government is changing, amending, a piece of legislation that was passed in this House six or seven years ago and then making it retroactive. And when that word goes out to mining companies across Canada, the companies that may have intended to come into this Province to carry out exploration and development of our mineral resources, they will certainly back away when they see this kind of a bill being passed in this House, Mr. Speaker.

As I say, what the hon. gentleman should have done in order to remedy a mistake made by the hon. gentleman's department or a mistake made in drafting, or if the bill was not clear enough - what they should have done was they should have brought in the amendment and left out Clause 2. I do not see anything wrong with that. But there is a lot wrong with bringing in an amendment now and penalizing all these mining companies that may have written off portions of their expenditure under the assumption that they were entitled to do so under the original act. That is what I am objecting to, Mr. Speaker, and I am not defending anybody. I do not know what the hon. gentleman is insinuating over there. Perhaps he could tell the House.

But there is a very grave principle involved in this, Mr. Speaker. The bill is unconstitutional. I do not know if it was challenged in the Supreme Court of Canada, but whoever challenged it would win the case. I know if I were a mining company and I had been doing business in this Province - and I do not care who it is, Wabush Mines, Iron Ore Company of Canada, Riocanex, Rioalgam,

MR. NEARY: International Nickel, or the minister's buddy who just skipped out of the Province, the minister's buddy who just took off to his big estate down in Florida and left his creditors in Newfoundland holding the bag; the gentleman who was supposed to be out in Trinity Bay mining barite stuck one creditor in that area, I am told, for over \$200,000. The minister is not concerned about that - Tyler Mining - a gentleman who came in here and conned the Newfoundland people and conned the Newfoundland Government and has

MR. NEARY: now flown the coop and left the Newfoundlander creditors holding the bag. We have not heard very much about that shyster, the hon. gentleman's buddy.

DR. COLLINS: (Inaudible)

MR. NEARY: I beg your pardon? The buddy of the ministers. I do not know but they were wined and dined at his \$600,000 estate in Florida. If they did not go they were certainly invited, and now he is gone. He came in here one day last week on a jet. I do not know who was foolish enough to rent him or lease him a jet. Flew into St. John's Airport about a week or ten days ago on a jet, kept the jet warmed up, had the pilot stand by, rushed in, saw his lawyer, got back aboard the jet and got out of the country before his creditors could get their hands on him.

Mr. Speaker, no wonder we have not seen any new mines open in this Province in the last ten years, since we have had a Tory government in Newfoundland. Is it any wonder we have not seen any new mines opened with this kind of legislation and with this kind of a shyster that we have seen skip out and leave the creditors of this Province holding the bag? Mining companies will have nothing to do with this Province if we continue to bring in this kind of regressive legislation.

Now, Mr. Speaker, there is not much else I can say about it I suppose. It looks to me like the hon. Minister of Finance (Dr. Collins) is digging in. He is not going to change his mind. He is not going to amend this bill and take out clause 2. If the hon. gentleman would only hear me for a minute. I have no objections to amending the original legislation, no objection at all, but I think the hon. gentleman should reconsider clause 2 because there are probably, I would gather from the hon. gentleman's

MR. NEARY: remarks, mining companies who thought they were entitled to exemptions and certain write-offs and now, six years later, they find they are not. After spending the money, they find they are not entitled to these exemptions. That is wrong, Mr. Speaker, it is wrong in principle and will only discourage mining companies from coming into Newfoundland to do exploration. They cannot trust the government. That is what they say. If I was a mining operator I would say you cannot trust this crowd. They make a deal one day and they change their minds the next. You cannot trust them. It is like a banana republic. Why you would be better off doing business in South America, or Central America than you would with this crowd here. At least you know what you are dealing with in South America. You are dealing with a crowd who demand pay-offs. They say, yes, we want our pay-off, we want our pesos under the table. But once you make a deal with them it is a deal. They will honour their deal. But in this Province they do not honour their deals. A deal is a deal. But in Newfoundland, Mr. Speaker, we no longer can claim the reputation of being honourable people, of living up to an agreement, of living up to our deals and that is probably one of the reasons why we have not seen more exploration and more mining development in this Province in the last ten years. Not one industry has started in Newfoundland in ten years of Toryism and not one mine has been opened. The one in Daniel's Harbour, which is the closest the hon. gentlemen could claim credit for, that is the closest, all the exploration and all the permits and all the development plans and so forth, were all in place before the government changed. That mine in Daniel's Harbour was the result of a Liberal policy and Liberal philosophy and had nothing to do with the philosophy and the policy of the hon. gentlemen. They cannot point their finger at one new mine that started in this Province since

MR. NEARY: the Tories took over ten years ago. Down in my own district they have been searching for gold and lead and zinc and copper and silver and potash. What will these companies say, Mr. Speaker? The companies who are doing the exploration, what will they say if they see bills like this being put through our House of Assembly? They will say you cannot trust this crowd. If we go out and find potash or we find oil or we find gold or silver or lead or zinc or copper in LaPoile Bay, or in Burnt Island Pond, or in St. Georges, what will they do with us? Will they nationalize it? Will they tell us that the write-offs we had, or we thought we had we do not now have? Is that what they will do, Mr. Speaker? It seems that way so I am not at all

MR. NEARY: as a matter of fact, the government is within its right to amend the legislation, to try to clarify their position or to clarify a section of the bill or to patch up inferior or poor drafting of the bill on the part of the legal draftsman, but, Mr. Speaker, I would submit that Clause (2) seems to me to be a bit serious, very serious, and I will read it just for the benefit of hon. members again, Clause (2) says "This clause would provide that the amendment would come into force on January 1, 1975." And if you can do that with the mining tax, with the mineral tax, Mr. Speaker, you can do it with any group, any company, any organization, or any individual in this Province, Mr. Speaker. And I am against it and I think that hon. members of this House should think very carefully before they vote for that clause of that bill.

MR. SPEAKER (Butt): Is it the pleasure of the House that the said bill be now read a second time?

The hon. Minister of Finance, if he speaks now he closes the debate on the bill.

The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, I think only one point has come up in regard to this and that was the point brought up by the hon. member for LaPoile (Mr. Neary), and I will deal with that in just a moment. But just let me make this remark first, that in the last several years the exploration activity in this Province has been at an all time high in regard to past years, since Confederation. There has been more claim staking in the last several years than there was in decades before.

So for the hon. member to say that mining companies and prospectors and people interesting in the mining industry are taking a dusty view of this Province is, of course the exact opposite to the truth. The truth is that the mining industry is looking on this Province very favourably, It knows that there are a lot of natural resources in both areas of

DR. COLLINS: this Province, both the Island area and the Labrador area and they are taking steps to bring these resources into operation. So it is not correct to say that the mining industry is taking a negative view of this Province. It is correct to say that the mining industry is taking a very positive view of this Province.

Now, Mr. Speaker, on the point that the member brings up that this is a dastardly act, that this is a nazi move, that this is a dictatorial measure and all that sort of thing, that, of course, is a lot of hogwash. It is a lot of hot air. There is no truth to it whatever. The point is that in tax matters it is understood by everyone that the revenues, the expenditures in a particular year are brought into the tax question, unless a tax measure specifically states otherwise. And I am sure hon. members will understand that in the Income Tax Act it is specifically stated that you can take into consideration, if you have business losses, for instance, you can take into consideration prior years and you can bring your losses forward one year, But that is specifically in the act, and the reason why it is specifically in the act is that taxation measures relate to a fiscal year. What you expend in a certain year to gain revenues, to gain income, you can put against the revenues in that year. That is normal, ordinary, commoner, garden type understanding in regard to the tax measures.

When this act was brought in in 1975, that is the way the wording went, and that was like all tax measures. Now, a few companies have since then brought into question whether they should be allowed to take in prior years' expenditures against current revenues. In other words, they will bring up the point that the act - they are implying that the act should have specifically said that we should have been

DR. COLLINS:                    allowed to take in prior expenditures.  
The act did not state that.    And to nail home that point we  
are bringing in this amendment and it is nothing new, it is  
not adding one single new thing to the act, it is merely a  
clarification of the original wording of the act just to remove  
any question whatever that there was ever any intent of  
bringing in a specific mention that prior expenditures would  
be allowed.

MR. MOORES:                    Why does the minister (inaudible)?



DR. COLLINS:

I am finishing a point on this.

Now the other point that is necessary to bring out here is that the Taxation Division of government has persistently stated that ever since the act came in in 1975 - as this act was being applied it was persistent on the part of government as saying, this year's expenditures, this year's revenue, the net amount is the amount to which tax would be applied. There has been no inconsistency throughout the years. There has never been - this issue has never come to judicial attention. There has been an attempt by a few companies to have the officials in the Taxation Division take the other view. It has never been a case, as the hon. member implied, where they had their taxes written off and so on and so forth and now we are trying to grab those taxes. It has been a persistent point put forward, as was the meaning of the act in the first instance, as is the meaning of all taxation acts, that your expenditures in a fiscal year, or in a taxation year will be applied against your income or revenues in that particular year and the net amount is taxable. So there is nothing strange, weird or wonderful about it.

Mr. Speaker, I did do - because this bill was introduced yesterday - I did do a little research, actually, and I think I have it here somewhere. Talking about retroactivity; in 1979, the "Increase Of Pensions Act" amendment was brought in - in 1979 - which had retroactive effect to 1961. In 1980 the "Public Service Pensions Act," amendment was brought in which had retroactive effect back to 1977. And there were other retroactivities. So it is not unusual, where the circumstances make it logical, for retroactivity to come in. There is nothing strange, nothing weird, nothing weird or wonderful about it, no precedent setting. Precedents are in the Statutes of this Province. Indeed, Mr. Speaker, "The Mineral And Rights Tax Act", itself, was amended in 1976 which had retroactive effect back to 1975. So retroactivity is not

DR. COLLINS: a new measure where these circumstances apply. The hon. member is quite correct in saying that a government would never put in a tax that had significant retroactive effect. Although I must say that when we bring down our budget each year, we introduce the budget, the budget is passed after a number of months but the tax is being collected from the time the measure is introduced into the House. So in that respect there is retroactivity to taxation. But it would be unwise to, say, bring in a tax in one year that had an effect as of five years ago. And that is not the intent here whatever. There is nothing new brought into this act, it is merely a clarification of the wording of the act as it was originally introduced in 1975.

MR. STIRLING: Would the minister permit a question?

DR. COLLINS: Surely.

MR. STIRLING: Just for clarification, since the minister did not clarify it in his opening comments on the bill, and he may have clarified it since, would you give an indication of the amount of money that we are talking about? In fact how much - these companies who have disputed it and tried to bring forward - how many dollars are we talking about? Are we talking about a substantial amount? Are we talking about \$1,000? Are we talking about \$100,000 or \$1 million or several million? And have these companies been informed of the action that you are taking, have they now accepted the fact that this is reasonable? Could you maybe elaborate on that a bit? Let us know the size of the problem we are dealing with?

MR. SPEAKER (Butt): The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, to answer the last part first, yes, the companies had been informed, and as I mentioned, they had been informed right from the time this act was introduced that this was the way that government was inter-

DR. COLLINS:                   preting this act which was the consistent way all taxation acts are interpreted, i.e., expenditures and revenues in a particular taxation year are offset one against the other and the net is the taxed amount.

                                  The companies were left in no doubt that this is the way the government regarded this taxation measure like it regards all taxation measures. There is no doubt in their minds on that.

                                  As to the amounts involved, it is a little difficult to say because some

DR. J. COLLINS: companies have been mining in this Province, you know, from certainly the fifties. And if one put the peculiar interpretation on this Act that some companies are trying to put on it, shall we say, that all their expenditures, going back to the fifties or even the forties or thirties, perhaps, would now be against revenues coming in from 1975, 1976, 1977, 1978 type of thing, this Act could have no value. I mean, it would take decades before their expenditures from years and years gone by would be offset by the revenues coming in and probably it would be twenty years before there would be any revenues coming from this Act. That is how ridiculous it would be. So it is very difficult to say what amounts would be involved if that interpretation was put on the Act.

I can say this, though, that the tax we raised under this Act in 1978/79, the total amount of tax under this Act - this is from all companies who have to pay mining or mineral rights tax - was \$16 million. And in 1980/81 the total amount of tax raised under this particular statute was \$27 million. Now, that does not answer the hon. Leader of the Opposition's (Mr. Stirling) question directly because many of these taxes would not be brought into question if that peculiar interpretation of the Act that I mentioned was allowed. There would only be a very small proportion. I do not know what proportion. It would be very difficult to say.

MR. L. STIRLING: Mr. Speaker.

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

MR. L. STIRLING: Mr. Speaker, I have a further question to help, you know, pinpoint this. Are we talking about a situation in which companies have actually done that calculation and therefore reduced the amount of their tax that they have paid by their calculation? If this bill goes through, are you anticipating collecting any back money or just closing off the doors so that they will not attempt it in the future? Have they held back any tax that you are aware of? Do you expect that we will be able to collect additional tax or, in fact, are you just closing the door?

MR. SPEAKER (Butt): The hon. Minister of Finance.

DR. J. COLLINS: My understanding, Mr. Speaker, is that because of the interpretation that those few mining companies have raised, that they have not remitted tax, that the Taxation Division has told them right from 1975 onward, 'Your tax should be different from what you have put in in your return because you have interpreted the Act as reading this way when we are saying that this Act - the interpretation should be, the interpretation put on this Act, as on all taxation acts, that there is no retro-activity in terms of allowance of expenditures.' So that they have not rendered the tax that we have persistently told them they are not rendering and that they are still owing tax. This will not make them owe any more tax. We told them all along that they are owing tax. But this will just make sure that they will not continually bring up this point because, not only will it be implicit in the Act as it is implicit in all taxation acts, that the expenditures and revenues for a taxation year are the only ones to be considered, not only will it be implicit, it will be explicit to say that that is the way the taxation measure should be applied.

MR. L. STIRLING: One final question, Mr. Speaker, by way of clarification. In that case -

MR. SPEAKER (Butt): One final question, the hon. Leader of the Opposition.

MR. L. STIRLING: Thank you.

I recognize all of this is being done with the co-operation of the minister allowing these questions, and I thank him for it. In that case, then, your officials obviously have calculated what the underpayment has been by these companies for the last five years. And I do not wish to hold up the bill at this stage, but I would like to find out from the minister whether or not any companies have indicated to him that if it is interpreted - if the interpretation is as the new Act, that it will seriously affect any of those companies, will they have to close their operations? Will they have to go out of business? Will they have to lay off any employees? And that calculation of the specifics that he mentioned, certainly has been done by the officials, would he give an indication to the House before the committee stage on this bill that he will table what the difference is between what the companies remitted and what they should have remitted based on this Act which will then be retroactive? I am sure that the officials have done that calculation and I believe - although you may not want to put the names of the companies in - that in total we should know, before the

MR. STIRLING: Committee deals with this, what those amounts are.

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

DR. COLLINS: Mr. Speaker, I do not have those figures at hand. I think they can be gotten and I certainly will bring forward at the Committee stage the information that one can - as the hon. the Leader of the Opposition himself understands, and has indicated he understands, one has to be a bit careful when you are dealing with taxation measures.

MR. STIRLING: Right.

DR. COLLINS: These are confidential matters so that the individual should not be - and the statutes prevent us from making this public knowledge. There is a right of personal privacy and confidentiality in this, so as long as it does not violate that, the amounts, I think, the total amounts can be brought in.

I move second reading.

On motion, a bill, "An Act To Amend The Mining And Mineral Rights Tax Act, 1975," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 10).

Motion, second reading of a bill, "An Act Respecting The Garnishment Against The Remuneration Of Public Officials," (Bill No. 9).

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

DR. COLLINS: Mr. Speaker, this bill has been on the Order Paper for some time and it never seemed to quite reach the stage of enactment. I do not think there was any particular reason for that. I think it was not looked upon as terribly important in relation to other matters. I think all bills are important. But that was the reason why it was laid aside. However, it is of some importance to certain people, because it relates to the

DR. COLLINS: fact that it removes an immunity that public servants have in terms of garnishment proceedings that other workers do not have. In other words, if one falls behind in one's debts to suppliers, for instance, there is a means whereby the supplier can get a court order which would mean that the person's wages or salary could be garnished to the extent that those debts will be paid off after a certain period of time. Now, most people in the work force in the Province come under that possibility. There is an immunity in our statutes towards public servants and this is to remove that immunity. It really is an anomaly.

It also relates, not only to public servants employed by government itself, but also employed by certain Crown agencies, most Crown agencies of the public service.

I would point out, Mr. Speaker, that this does not apply to pensions. It does not apply to public servants who are on pension. They will not be subject to garnishment if they are on pension, except in two regards which are already in force, and that is if debts are owed to the Province itself or if there is a court order obtained in terms of bankruptcy, those measures are all in effect. But pensions are not affected by this particular amendment.

Also, Mr. Speaker, I think it is worth pointing out that this bill will not permit a public servant to be dismissed from his post by reason of garnishment proceedings. It is not the intent to bring in a penalty of that nature. And salaries cannot be garnished to the extent that they would cause unreasonable hardship. Under the Attachment of Wages Act there is a certain amount of income which is untouchable in terms of garnishment and that will stay in effect. It will also be an amount that will permit the person to pay his taxes and it will be an amount that will permit the person to have reasonable



DR. COLLINS: deductions, that the nature of these deductions are such as are acceptable to the Minister of Finance. There is ministerial discretion there. So if someone has deductions say for an elderly relative or whatever, that will not be subject to this garnishment arrangement.

So this bill really will apply to the public service, in government service itself and in Crown agencies. It will bring them in line with garnishment proceedings or garnishment liability, such that most people in the work force are already subject to, and there are certain safeguards there

DR. COLLINS: so that the pensions will not be affected and that certain legitimate living expenses, shall we say, of the public servant are protected.

So with those words, Mr. Speaker, I move second reading.

MR. SPEAKER (Butt): The hon. member for Carbonear.

MR. MOORES: Mr. Speaker, I would just like a few words— certainly I have no reluctance in supporting this bill. I think the intent of the bill is a responsible one and should be acknowledged as such. However, I would like to point out, Mr. Speaker, a reservation that I have always had, particularly as it relates to the garnishment of wages of members of the House of Assembly and ministers of the Crown. I have no problem in admitting that we should be no more or less than other wage earners in this Province and we should be treated the same way by garnishment procedures, Attachment Of Wages Acts, etc. as any other wage earner in this Province, but the fact of the matter is, Mr. Speaker, that this bill and bills previous to it have taken no steps to protect public officials, particularly elected public officials in this Legislature, from the negative ramifications of what happens when we are taken as equal wage earners, brought into court, our wages are garnished and then the boys in the press gallery start to crucify us. And anytime in the past thirty years that an elected official has gotten into any kind of trouble like this, legitimate trouble if you like, where we have run into some financial difficulties with business or with our private lives, that gives the press of the Province the green light to disclose, to rake our private lives out into the public for all to see, bare them, without any type of responsibility or without any type of discretion. And I emphasize that I am not against the fact that we should be treated equally as wage earners, that my salary or

MR. MOORES: any member of this House of Assembly's salary is subject to the law if he is legally in debt, but what I am afraid of, and I think every member of this House should have reservations about, is that which we cannot control or will not control and that is some vengeful member of the press gallery wanting to decapitate us, to castrate us, to crucify us publicly because we happen to owe money to some creditor, to the Canada Student Loan Authority or something like that. Now, you say, is this a presumption on my part? No, I have had some difficulty with the press in this Province, I readily admit, with my private life, and including my debt to Canada Student Loan Authority which I am quite proud to say that I owe. And I think every good citizen of this Province who has parents who are unable to pay for their education should be proud to say that he borrowed under the Canada Student Loan Authority to obtain his education.

MR. LUSH: The hon. member for St. John's North (Mr. Carter) is beaming and gleaming when you say you owe money. He would not understand that. He operates by cash, he does not operate by credit.

MR. MOORES: But, Mr. Speaker, I do think that this is a legitimate reservation and I think that some action must be taken by government or some consideration must be taken by government when passing this legislation to protect us, to make us equal, totally equal, completely equal. If any other wage earner in this Province had his wages garnished, garnisheed in court, that would be it, there would be no write ups in papers, there would be no headlines 'Carbonear MHA has wages garnished', nothing of the sort. I mean, it just would be passed by as an ordinary routine procedure in court and left at that. But

MR. MOORES: I know and I have experienced, as have a number of members in this hon. House, that about the most irresponsible thing in society right now is the media, when it comes to covering the private life of an elected official of this Legislature, and I would ask the minister to take careful consideration to bringing in some protection for us.

Thank you.

MR. LUSH: I am glad I started paying off my bills.

MR. SPEAKER (Butt): If the minister speaks now he closes the debate.

DR. COLLINS: Mr. Speaker, just a brief word. I have sympathy with the point of view put forward by the hon. member for Carbonear. I think, it tends unfortunately, if you are in public life, I suppose, that the slightest little thing that in other instances might be ignored or condoned or perhaps taken as amusing, if you are in public life to be blown up out of proportion and one is pilloried for that when there is no cause for so doing. I do not know what the remedy is. I have full sympathy for it. I think that it is irresponsible for the press to take that negative attitude towards people in public life. I suppose one has to recognize that people tend to be a bit curious about people in public life as opposed to the private citizen and to that extent, I suppose, it is human nature. But on the other hand, I think there are limits beyond which that curiosity should not be pandered to. I agree with the hon. member that sometimes the press is a bit irresponsible in that regard. What to do about it I have no idea but I certainly will mention it to my hon. colleague the Minister of Justice (Mr. Ottenheimer) and see if there is anything that can be done. I think there probably are ways. I think there are matters that do come up in courts and

DR. COLLINS: things that are kept from the glare of public view. It is not that they are done in a hidden way but they are just kept out of the glare of publicity. So possibly there may be something that may be done.

Thank you

On motion, a bill, "An Act Respecting The Garnishment Against The Remuneration Of Public Officials," read a second time, ordered referred to a Committee of the Whole House tomorrow. (Bill No. 9)

MR. SPEAKER (Baird): Order 19. Bill No. 7  
"An Act To Amend The Local School Tax Act".

MR. SPEAKER (Baird):

The hon. Minister of Finance.

DR. COLLINS:

Mr. Speaker, this bill is

Bill No. 7, entitled "An Act To Amend The Local School Tax Act." and I introduce it on behalf of my hon. colleague, the Minister of Education (Ms. Verge), who is temporarily out of the House, but I expect that she will be here to enter into the debate on the bill.

Mr. Speaker, there are explanatory notes attached to this bill which lay out in some detail the intent of the various clauses in the bill. And the first clause will remove from the Cabinet the right to appoint a chairman, or vice-chairman to the School Tax Authority. That is the first item in the bill. The second part of that first clause will provide for the appointment of alternate members to serve on School Tax Authorities.

The second clause of the bill will provide that the chairman and vice-chairman of the School Tax Authority be elected from the members of the Authority and of itself. And I think that that is self-evidently a good move, and it is related to the fact that Cabinet is relinquishing its right to so do.

The third clause will just merely redefine the meaning of "real property" and of "building". And those definitions will then correspond with the definitions in The Municipalities Act.

The fourth clause will exempt certain holdings, particularly farmland and woodlots, from school tax.

The fifth clause will alter the method of taxing persons who reside in more than one tax area during a year and this is a problem that frequently arises. It alters that method and makes it more equitable.

DR. COLLINS:

I am sure that the hon. Minister of Education (Ms. Verge), when she enters into debate on this bill, will give particular consideration, and particular explanation of that clause.

Clause six will alter the liability for tax on property subject to supplementary assessment in correspondence with a similar provision in the Municipalities Act.

And the final one will permit regulations to have, again, a retroactive effect to the

DR. J. COLLINS: beginning of the fiscal year, to the financial year of the School Tax Authority.

So I think those particular provisions of the Act are all good, they are self-explanatory really. I move second reading.

MR. SPEAKER (Baifd): The hon. member for Trinity - Bay de Verde.

MR. F. ROWE: Mr. Speaker, I am sorry the hon. Minister of Education (Ms. Verge) is not here to introduce this particular bill, "An Act To Amend The Local School Tax Act" so that we could a little bit more of an explanation of the changes that are to take place in these five clauses.

I think, Mr. Speaker, that the changes in clauses 1(1) and 1(2) are good changes. If people are going to be responsible for collecting taxes in a particular jurisdiction, I think they rightfully should be elected before they do so and not appointed by anybody such as the Lieutenant-Governor in Council. Now, that is, Sir, a good amendment.

Clause 4, however, Mr. Speaker, only goes part of the way. This amendment would exempt farmland and woodland from school taxes. Now, Mr. Speaker, in rural Newfoundland, and in some pretty urban centres, we do have reasonably large pieces of land owned by individuals because it has been more or less passed down to them. And these individuals are not necessarily in a high socio-economic class, they were just lucky enough to be able to get land which they, in fact, can use for farming, as is suggested here, or can be used for virtually anything else. It could be used as collateral for their own borrowings or just security for their own family so that later



MR. F. ROWE: on their children and their grandchildren can, in fact, occupy and build on that particular piece of land. So I would like for the minister, when she speaks to the bill with respect to Clause 4 - I am suggesting it is a move in the right direction, Mr. Speaker. It is certainly a move in the right direction. But what I was pointing out to the Speaker was that there are other pieces of land that individuals may come by that would not necessarily be used for farmland or for woodland purposes. It might be, for example, access to the sea, if they have fishing boats and that sort of thing, it might be land that people inherit, and I will repeat it for the benefit of the minister, it might be valuable land inherited by individuals who are not in a high socio-economic class, who are holding onto this land for security purposes or for collateral against loans, or what have you, or they might be simply saving the land up for the use of their offspring who will, later on down the road, be looking for

MR. F. ROWE:

land to live on and build on, and I am wondering if that kind of land that is not designated particularly for farming - or when they say woodland I would assume, Mr. Speaker, woodland means that the wood is being cut or sawn. I mean, if you have just inherited twenty-five acres of wooded land, can that wood just sit there or does that wood have to be -

MR. CARTER:

Would that be Liberal wood or P.C. wood?

MR. F. ROWE:

Well, I do not think it matters much, Mr. Speaker, whether it is Liberal wood. I am sure the Liberal wood would be standing much taller than the P.C. wood, if the hon. member -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Baird):

Order, please!

MR. F. ROWE:

- is trying to differentiate between the stands of wood. I can assure him that the - well, I will not get carried away, Mr. Speaker.

Section 5 is a good amendment.

This was always a problem, Mr. Speaker, where a person had residences, a country place, or two homes in two different jurisdictions and ended up having to cough up for both. Now that person during any financial year - 'When a person resides during any financial year, for three months or longer in more than one Tax area where the poll tax is imposed on a section 29, he shall pay only one poll tax and he shall make payment thereof to the Authority in the Tax Area where he was in longest resident.' So, presumably, all you have to do is reside in a particular area for more than three months and at the one place.

What happens if you are living in an area six months and six months respectively, for example? If I could just have an exchange with the minister there

MR. F. ROWE: that is explanatory note 5 referring to Section 31 (5). I do not know if the minister would like to wait until she speaks to the bill. But if a person happens to be residing, like some hon. members in this House, an even split of six months per year, say, on the West Coast and six months on the East Coast, does that mean that that individual would have to pay to both Tax Authorities? Well, Mr. Speaker, I do not think that particular -

MS VERGE: Half.

MR. F. ROWE: Half of each? Okay, if it is going to be apportioned, I suppose, you know, that is fair. But what I was concerned about is if a person who is moving around a fair lot - as the hon. the minister herself has to do, she is probably spending half and half, I do not know - if she had to pay a double tax, the full tax in both jurisdictions, I think it is quite unfair to her and any other individuals who are caught in the same boat.

MS VERGE: (Inaudible) according to (inaudible).

MR. F. ROWE: Right.

Another thing, Mr. Speaker, that I might relate to here, while I am on my feet, is that there are situations in families where you have an awful lot of people who are working living at home. I come across hundreds of such family units in my own district, and I am sure my district is not unique to other districts in the Province. But I do know of cases where a father

MR. F. ROWE:

and a mother might have two or three daughters and sons living at home, they themselves are out there eking out a living, usually at a low salary, very fortunate indeed to get a job at all but they are employed, but the wages are such that these individuals as such cannot afford to build a home of their own or gain access to land for any number of reasons, you know, the Crown Lands Act or certainly bylaws in a community, or just lacking finances. We find that an awful lot of working singles and working couples and working couples with children, are stuck in their mother-in-law's or father-in-law's or father's and mother's homes. I can think of examples where the father and the mother and two daughters and three sons, Sir, are living at home, and the five offspring and the two parents, because their mother happens to be working, have to pay school taxes because, of course, the taxes are deducted as source.

Now, Mr. Speaker, this is where and why we, on this side, have argued for the last nine and a half years against the basic principle of school taxes, period. We think that the way that school taxes are collected and administered - well, collected certainly - is a regressive tax in the sense that school taxes are not based at all upon a person's ability to pay. I think that is easily recognizable without having to go into the details of it. I know there is a staggered scale of taxes depending on the salary you are making, but once you get above that - a person, for instance, making \$20,000 a year has to pay exactly the same school tax as a person making \$120,000 a year. And if a person making \$100,000 a year does not have individuals working and living in his or her home, as the case was that I suggested earlier, he gets hit for the same seventy-five dollar poll tax within a certain jurisdiction. And you got a neighbour there making \$20,000 and a son making \$6,000 and a daughter making \$11,000 and you just go up

MR. ROWE: above that top line there, the threshold there where you have to pay your taxes, and you could have seven people, making a quarter as much as one person across the street, paying seven times as much in a poll tax. Now I use that as a bit of an extreme example just in order to prove the point but it does exist.

Now, I have always felt, Mr. Speaker - well, I have not always felt, we advocated in this House many, many times, that school taxes should be abolished. We have called for the total abolition of poll taxes, not just during election campaigns, Mr. Speaker, to try to gain a few votes or anything like that, but consistently and persistently since 1972. Since I started off that particular year as spokesman for Education, we developed a document, which was really a synopsis with our own ideas of all of the objections against School Tax Authorities in this Province, written by well-meaning people, educators, financiers, and this sort of a thing. And there is no way that the School Tax Authority is equitable and is fair on an individual basis, nor is it fair on a regional or aerial or provincial basis. Now what I mean by that, Mr. Speaker, is simply this; I have already given the example of individual discriminations, if you will, where you have a group of low wage earners, all huddled in the same house, having to cough up, each one of them because they are employed, their, say, seventy-five per cent poll tax, and a more affluent person or a person getting a higher wage, without that situation, has only to cough up one poll tax himself.

In other words, as far as the individual is concerned, Mr. Speaker, as far as the individual is concerned, the school tax is not based upon the ability to pay. It does not approach anywhere near, say, an income tax kind of a situation. Now, everybody realizes that income tax, the income tax, whether it is provincial or federal, is the fairest mode of taxation the world has ever devised. We do not

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MR. F. ROWE:                    like it. If I happen to  
be making \$100,000 a year, I do not like the chunk that is  
going to be taken out. But it is based on a fair formula,

MR. F. ROWE: it is based on the amount that I am capable of earning and the more I earn the more taxes I pay. That is not true of school taxes. It is completely, almost, almost completely unrelated at all to a person's ability to pay except for the staggered guidelines under which you do not have to pay or if you are making a certain amount of money you only have to pay one-third or two-thirds. I cannot remember the exact schedule now, because I have not seen it for quite some time.

But that is a real crime against individuals, particularly when they are altogether. So it is not based on one's ability to pay and this is why, Mr. Speaker, we have called for and we continue to call for an abolition of the school taxes. We have nothing whatsoever against the individuals and the persons serving on School Tax Authorities. They are trying to do a job of collecting money for their school boards and they are actually doing the job for the government. This is another case where groups or individuals or authorities are asked to carry the job for the government. Because, Mr. Speaker, we do not have - correct me if I am wrong, Mr. Speaker - a hospital tax, do we? We do not have a medical tax. We do not have a fisheries tax.

MR. MOORES: Or a penitentiary tax.

MR. F. ROWE: We do not have a justice or a penitentiary tax. We do not have a Department of Highways tax - or Transportation and Communications tax to pay for the highways in our Province.

MR. E. HISCOCK: Labour safety.

MR. ROWE:

We do not have a labour tax to pay for labour safety. We hardly have a tax, Mr. Speaker, at all for the provision of any of the social services, putting in with the social services education, so why do we have a school tax?

Now, the minister will reply and say that, you know, school boards would like to have a little bit to play in the raising of money for schools. You know, there are methods, ways and means of raising money for school boards. I agree with it but I do not feel it should be in the area of taxes and here is why, Mr. Speaker. If you take an area such as Gander, if you take an area such as Grand Falls, if you take an area such as Corner Brook, if you take any area that has a fairly broad, steady,



MR. F. B. ROWE: basic, economic foundation, such as we hope Stephenville is returning to, if you have a place like Labrador City and Wabush, if you have any of these kinds of areas, sections of St. John's, if you have a rich community, or you have a school tax jurisdiction in which you have a number of rich communities, or you have a number industries there that can throw in a nice hefty tax, if you have these kinds of things, Mr. Speaker, you got the most terrible kind of discrimination, the most dastardly kind of inequities that can ever exist.

And I will take an example, Mr. Speaker: For example, when I had the honour of representing St. Barbe North on the Northwest Coast for some four years, until they took the seat away from me, took two Liberal seats and a half Liberal seat and carved it up in order to make one Liberal seat and one P.C. seat - anyway, I was not about to take on the Leader of the Opposition at the time for his seat so I was transplanted to another district.

MR. MARSHALL: Resettled.

MR. F. ROWE: I was resettled. That is the kind of resettlement I did not like. I could not even get a grant for it, Mr. Speaker. But the point is, when I represented St. Barbe North I saw some of the most terrible school conditions that one could ever imagine.

MR. HISCOCK: Southern Labrador.

MR. F. ROWE: And Southern Labrador, which I had the hon. of visiting on a number of occasions -

MR. HISCOCK: The minister said they are substandard.

MR. F. ROWE: - substandard.

MR. HISCOCK: But she will not give us any -

MR. F. ROWE: Now, how in the name of heavens are areas like that going to get out of the situation that they are

MR. F. ROWE: in -

MR. WARREN: They are not.

MR. F. ROWE: - using school taxes? Because, as it happens, most of these areas we are talking about are widely spread out, do not have a solid economic base, very few industries -

MR. HANCOCK: Do not make no faces at him.

MR. F. ROWE: - and consequently a place like the Grand Falls area -

MR. HANCOCK: Every time they get money they get mad (Inaudible).

MR. SPEAKER (Baird): Order, please!

MR. F. ROWE: - the Grand Falls area can collect far in excess in school taxes than a place like the St. Barbe area could, the St. Barbe Coast could.

MR. HISCOCK: Did the member for St. John's North pay his school tax yet?

MR. F. ROWE: You have greater numbers of people who will not pay, or cannot afford to pay the school taxes, so you have a tremendous percentage of defaults in these less fortunate areas. So, consequently, what we are doing here with the school tax principle, in the urge to try to get some more monies for school boards or a school board -

MR. F. ROWE:

what we have is a broadening and a deepening and an intensification of the already existing inequities and discrimination as you go from one School Tax Authority to another.

Now, I can assure the hon. minister, and the President of the Privy Council (Mr. Marshall] who has been around here a little longer, that I was much more vociferous over the last eight years in screaming and yelling and clawing, trying to claw away the school tax. I even went on national radio one night with - was it Barbara Frumm? - or somebody -

MR. HANCOCK:

How can you forget her, she is

so attractive?

MR. F. ROWE:

No, I do not think it was Barbara

Frumm, that is why I am hesitating. Anyway, it was that particular show and there was a fuss about that teacher who was refused her certification to the Roman Catholic School Board because she would not sign that she was a Catholic. And we somehow or another got into the School Tax Authorities. And, old Barbara, wherever she gets her research, shouts out, "Was it not your old man who brought in the School Tax Authorities?" And I said, "Yes, of course it was but, you know, what was brought in ten or fifteen years ago to meet a particular need in Corner Brook at the time, does not necessarily meet the needs of today." And Corner Brook wanted it. They asked for it - am I correct? - and they got it. Now I am asking, how many people in this Province, who have to pay school taxes, have asked for school taxes?

Now I am not arguing against school -  
Nobody wants to pay taxes.

MR. WINDSOR:

MR. F. ROWE:

Yes. Exactly. Nobody wants to

pay another tax.

MR. HANCOCK:

Nobody wants property tax, as you

are going to find out.

MR. SPEAKER (Baird):

Order, please!

MR. F. ROWE:

Mr. Speaker, what I am arguing against is not the payment of taxes. I am not arguing against the payment of taxes. We will continue to be taxed, and probably love them, Mr. Speaker, love the right kind of tax.

MR. HANCOCK:

We will love it when we get something for it.

MR. F. ROWE:

I would like the right kind of a tax applied fairly, equally and squarely, and when you get a return on the payment of your tax.

Now, I have already described - probably the new minister was outside when I made the points, but I gave two examples of where individuals are discriminated against or are treated unfairly because of the application of this tax, and I gave another example of regionally going from one school board district, or one School Tax Authority jurisdiction to another, where it is very inequitable and discriminates against the young children and the teachers and the parents who happen to be teaching in "poor School Tax Authority jurisdictions."

So I have always advocated, Mr. Speaker - see this bill improves the School Tax Act such as it stands, but it is pretty difficult to improve something that is so bad, to the point where it is even close to perfection. And I say forget about the School Tax Authority in their amendments, Mr. Speaker. Unfortunately, I will vote for the amendments because they are improvements. I say unfortunately, because it is unfortunate that I have to vote on anything pertaining to School Tax Authority because I am against the principle of the School Tax Authority, I am against the inequities of them,

MR. ROWE: the unfairness of them, the regressive nature of them.

MR. WINDSOR: What is a better system?

MR. ROWE: A better system. Okay, I will answer with a question.

MR. WINDSOR: A serious question now.

MR. ROWE: Well, I always assume that most questions are serious questions coming from the other side, Mr. Speaker.

MR. CALLAN: That is right.

MR. ROWE: They may be stupid questions but I would assume they are meant to be serious.

MR. STAGG: They may be naive.

MR. ROWE: They may be naive but the best solution to the School Tax Authority, unfortunately, is impossible to implement. Okay?

MR. CARTER: Well!

MR. ROWE: Except indirectly now. If they hon. member will listen very carefully. Everybody knows - and I can hear him roaring now when I say it, everybody knows that the income tax is the fairest method of taxation in the world because it is based on an individual's ability to pay. That is why I would prefer to see -

MR. HANCOCK: Hear, hear!

MR. ROWE: - a federal income tax which we have, a provincial income tax, which we have, and a municipal income tax, which we do not have, rather than those stupid property taxes and poll taxes and every other kind of taxes.

MR. WINDSOR: You do not agree with the poll tax?

MR. ROWE: No, I do not agree with the poll tax because it is unfair. But it is a tax -

MR. WINDSOR: The property tax is a little bit fairer.

MR. ROWE:

Mr. Speaker the hon.

member will have an opportunity to -

MR. HANCOCK:

(Inaudible) based on your

income.

MR. ROWE:

I said this. Mr. Speaker,

I made a simple statement and I do not know what the minister is trying to get out over there but I will repeat it, the fairest formula and the fairest method of collecting taxes is the income tax mode. Nothing else comes close to it, not the poll tax, not the sales tax, not the property tax. No other kind of a tax comes close to being as fair as the income tax. Now, having said that, I am not saying that the Department of Education should set up an income tax for educational purposes, just as we do not have a tax for highways, we do not have a tax for hospitals, we do not have a tax for many things - recreation and culture. You look through all the social service departments, Mr. Speaker, and you will not find one single tax to cover a social service except one. What one is that? Education. So I say eliminate the darn thing, throw it out.

MR. WINDSOR:

And raise income tax?

MR. ROWE:

No, you do not have to

raise income tax. Now, this is what I was referring to, that the minister would be shouting out. There are other sources of revenue in this Province other than income tax. I know the ministers opposite



MR. F. ROWE: So what I am saying, Mr. Speaker -  
do you want to speak to this?

MR. HISCOCK: I do, I do.

MR. F. ROWE: So, Mr. Speaker, what I am saying  
is simply this, although I have to endorse most of the improvements  
that I see in this particular act-and I would like the minister  
to comment, particularly on Clause 4 as far as designation of  
land is concerned, I am not so sure if that is a step in the  
right direction



MR. F. ROWE: lock, stock and barrel, boots and all on, with a lot of enthusiasm when I know they are trying to improve a monstrosity, this School Tax Act, that will never be anything but a monstrosity? It might be an improved monstrosity, it has improved inequities, improved discriminations, improved unfairness, for what purpose? - To allow a few school boards to get a few extra hundred dollars - or \$1,000, I am sorry - in some cases millions of dollars. But it is not applied correctly or fairly, it never will be applied fairly and that is why I have to state once again that the principle of this thing we are definitely against. And as far as giving school boards some autonomy, I can assure the hon. minister that if the school boards had plenty of money from the government and the DEC's to run their operations -

MS. VERGE: (Inaudible).

MR. F. ROWE: I am just going to say, if they had enough money - well, look it is the same difference. You see this is the point - the hon. minister is missing the point that I made. I said the money comes from you and me and everybody out there. No matter where it comes from, money to government - except revenue from industries - no matter where the money comes from, it comes from some sort of a direct or an indirect tax. It comes out of the people's pockets every single time.

Well, Mr. Speaker, the point that I am trying to make is that some taxes are fairer than others. If I had a 75 per cent property tax slapped on me and I was making \$100,000, and there was somebody living next door to me making \$50,000 with five kids working and they all have the property tax slapped on them -

MR. F. ROWE: it is not based on ability to pay at all. So it is the mechanism. So I am saying abolish the blooming School Tax Authority, period, and get rid of those administrative costs, and take the money from the general revenue of the Province. Now, where is that money coming from? That money is coming from the same source as it is coming from now, the people's pockets. And the revenue that you are getting from various industries, revenue you are getting from Canada - well, that has to be applied for a specific purpose, I know. But cannot the minister realize that I am in total agreement with her? That the money comes from the people when it comes to taxes, there is no doubt about that, but there are some taxes that are fairer than others

MR. F. ROWE: And all I am saying is that this is a very unfair tax in order to give some school boards some autonomy with respect to expenditure and raising of money. And what I am trying to say, basically, is that if these school boards got sufficient monies for their current and capital expenditures, they probably would not be so worried about that big word 'autonomy' and they would probably go about raising money through some of the more traditional methods of these socials and get-togethers and, what have you, that you have for the purpose of raising money and not have, necessarily, to rely on school taxes.

The minister is writing something down there now and I would guess from it, Mr. Speaker, that she is suggesting that I, in my wisdom, am starting to say that education should be run by bingo games, church suppers, socials, etc. Scratch it out, I am not saying that. They are already doing it anyway.

So I hope the minister now does not get too riled up, because the point is that I am trying to make some suggestions in good faith, and I simply would wind up by saying, we are improving something that is not good and no amount of improvement will make it good. The only thing that will make this animal good is to put it to sleep, get rid of it altogether and come up with the same funds from the general revenue of the Province.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear.

MR. SPEAKER (Butt):

The hon. the Minister of Fisheries.

MR. MORGAN:

Mr. Speaker, I was not going to say anything on this bill, but I am tempted now by the statements just made by the Opposition spokesman on education.

It is obvious to me now why the Leader of the Opposition is not in the House this afternoon

MR. MORGAN: and many more members on the other side of the House are not there. It is obvious. Because the total irresponsibility of any party in Newfoundland to be sitting in the House with members elected by the people - to be able to stand in the House and show the kind of irresponsibility that is being portrayed by the Opposition Party, not only in the House but outside the House. They are opposed, Mr. Speaker, to taxes. They do not want any taxes whatsoever.

The Leader of the Opposition went down to Bonavista a few weeks ago and said, 'We are not in favour of any property taxes. We are not in favour of poll tax. We do not want any taxes, we are against taxes.' The man who is aspiring to become the Premier of the Province said he is opposed to taxes. And now, Mr. Speaker, to top it all off, the member who stands in the House and speaks on behalf of educational matters for the Opposition says he is opposed to school tax, he is opposed to municipal taxes. He is opposed to any taxes except, he said, 'We will have to find the revenue, naturally, for schools and for new school construction, for maintenance and operation of schools and for school bus transportation, all these things. We have to find that.' But how are we going to pay for it? Well, his suggestion was we pay for it from general revenue. Mr. Speaker, who is General Review? Now, of course, if we cannot get the funds from general revenue, we can go out and have a few bingo games, a few social events, a soup supper here or a meal there, and we will have a few dances there and we will raise some money to pay for a new school maybe. Maybe! But we all know the kinds of funds raised from that source are very, very limited. So how are we going to pay for education? So the official

MR. MORGAN: Opposition spokesman on Education says, "I am opposed to taxes. I am opposed to school tax. I am opposed to all taxes except "- he asked a question of my colleague, "Well, how are we going to pay for education? We will pay for it from general revenue."

Mr. Speaker, if that hon. gentleman was not in the House any longer than since the last election, I would forgive him as being naïve, being naïve. But he is not naïve. Surely the hon. gentleman is not naïve. We have to get sources of funds and if we have not got the industry in our Province giving us the source of revenue, if we have not got that source of revenue how are we going to get the taxes and get the revenue to pay for the services we need?

MR. HANCOCK: Are you in favour of the (inaudible)?

MR. MORGAN: Every second day of the week, Mr. Speaker, the hon. gentlemen on the other side are bringing in petitions for roads, petitions for water and sewer, petitions for new schools and on we go.

MR. HANCOCK: Have we got a road tax?

MR. MORGAN: Every day of the week they are demanding from some minister over on our side of the House, "Give us this or give us that" -

MR. HANCOCK: Have we got a road tax?

MR. MORGAN: - as if we over here got a machine in my colleague the Minister of Finance's office down there, in the back somewhere, hidden away, that pumps out money every day of the week. That is the kind of impression that is left. And then for the hon. gentleman to stand up and so irresponsibly say, so irresponsibly say, "No, we do not like property taxes. We do not like school taxes. We are opposed to all these taxes.

MR. BARRETT: Do not like municipal taxes.

MR. MORGAN: But in the meantime, give us new schools and give us the money from your general revenue."

Now who is Mr. General Revenue?  
Who is he? Tell us the secret, who is Mr. General Revenue?

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: They stood in the House here and they opposed the few taxes placed on alcohol and placed on tobacco. They were opposed to that.

MR. HANCOCK: You know darn right we were opposed to it.

MR. MORGAN: There is not one person across our Province who is in favour of taxes. Nobody is in favour of taxes. But the hon. gentlemen on the other side, who are hoping to become the government one day, and hope, hope, hope, keep on hoping eternally, but they are hoping, they are hoping to become the government of this Province, and when they do the big question will be asked, the big question will be asked. Well, they have the answer. They know how to finance all these things. They will go out and have a few social events. They will go out and have a few bingos.

MR. BARRETT: Bring in a guest speaker.

MR. MORGAN: And they will rent a Liberal from Ottawa to see if they can raise some funds.

MR. POWER: Yes, \$150 a night.

MR. MORGAN: That is what they will do, \$150 a dinner. That is the kind of thing that is going to happen.

MR. HANCOCK: Are you in favour of school tax?

MR. POWER: There are not many Liberals you will get \$150 for.

MR. MORGAN: The situation is that -

MR. HANCOCK: Are you in favour of school tax?

May 29, 1981

Tape No. 1981

NM - 3

MR. MORGAN: - the situation, Mr. Speaker, is  
that we know on this side of the House -

MR. POWER: Throw it away.

MR. MORGAN: - we know that with only our  
half a million people that we have, we know that with the under-  
development of the Province that still exists - it will not be  
under-developed in five or six years time, but it is now -

MR. MORGAN: that we have not got the source of revenue available to us from industry. And we are being stifled in our development of our resources. A prime example was this morning; one of the most important resources in the Labrador portion of our Province is being stifled by someone playing games in Ottawa. And that is the kind of thing that is happening. The federal government has total control over our most important resource, total control, they control the whole thing and they do not do anything to help the fishermen to develop the resource. There are all kinds of needs for facilities, for landing facilities, there are all kinds of needs for wharves and breakwaters which would help the fishermen earn a few dollars to come in and pay their taxes, whether it be municipal taxes or property taxes or other taxes, but they cannot pay it without the money to pay it and they are being stifled. But these kinds of things are now known to the people. Because I tell you, Mr. Speaker, for example -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Baird): Order, please!

MR. MORGAN: - down in Bonavista there is not one person down there who is not laughing at the Leader of the Opposition (Mr. Stirling) who went down with the biggest yap on the other side, the member for LaPoile (Mr. Neary) who went down with him, stood up on the stage, the platform before a few families and people and they said, 'We are opposed to taxes, we do not like taxes we are opposed.' And the question was asked: "What would you do, 'Mr. Stirling', in this case if you were the Premier of the Province?" He said, "What would you do to help us get the water and sewer that so far has cost \$8 million? What would you do to get the roads paved that so far has cost \$350,000 this past year?" And on she goes. "What would you do, 'Mr. Stirling'?" "Well, he said, "we would find the money from general revenue."

SOME HON. MEMBERS: Hear, hear!



MR. MORGAN: Mr. General Revenue is a great fellow, he has got all kinds of funds over here somewhere in Confederation Building. That Mr. General Revenue is so important, he is so important. But the fact is, Mr. Speaker, that we know that any tax -

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

MR. SPEAKER (Butt): A point of order, the hon. member for Carbonear.

MR. MOORES: That is not the response of the hon. Leader of the Opposition -

MR. POWER: That is the Barry theorem, when you get to the core, you then get points of order.

MR. MOORES: The hon. Leader of the Opposition gave the answer that he would allow (inaudible) -

SOME HON. MEMBERS: Oh, oh.

MR. MOORES: - (inaudible) to decide (inaudible). he did not say that it would come from general revenue.

MR. SPEAKER: Order, please!

That is not a point of order.

The hon. the Minister of Fisheries.

MR. MORGAN: Mr. Speaker, if I went out tomorrow morning and told the fishermen that while we were going to have to impose a tax to pay for some of the loans we are giving you from the loan board and some other things we are

MR. MORGAN:

providing for, fish plants etc., but you will decide, Mr. Fisherman, how much you will pay and what kind of tax, oh, how silly. Mr. Speaker, there is nobody in this Province going to say, yes, we will put a tax on. The people do not like taxes. The people do not like taxes and because the people do not like taxes, everybody knows it is a politically favourable thing to say, We are opposed to taxes. We are not saying that though. We are being businesslike and trying to run this Province in a proper way -

SOME HON. MEMBERS:

Oh, oh!

MR. MORGAN:

have to be taxes.

- and we know that there

MR. HANCOCK:

(inaudible) years ago.

(Inaudible) \$300 million debt.

MR. SPEAKER (Simms):

hon. member for St. Mary's-The Capes to restrain himself.

Order, please! I would ask the

MR. MORGAN:

hon. gentleman wants to bring in a sore point, school taxes were not brought in by this government, school taxes were not brought in by the last administration, school taxes were brought in by the previous, previous administration.

Now, Mr. Speaker, if the

MR. POWER:

(Inaudible)

Who put the tax on the

MR. MORGAN:

reform government in power twenty years, they brought the school taxes in. They brought it in very arbitrarily too, no consultation with the school boards, no consultation with the people, no consultation with the town councils involved.

Now, that great Liberal

MR. BARRETT:

Where was General Revenue then?

Where was General Revenue?

MR. MORGAN:

took a leave of absence for a few years.

Well, the word was, then, he

MR. POWER: He was only a private then.

MR. MORGAN: My hon. friend asked the question, where was Mr. General Revenue then? That is a good question. Where was he then when it was forced down the throats of the people of Newfoundland? What we are trying to do now in this legislation, Mr. Speaker, is we are trying to at least make the tax system that is now in place as clear as possible by making modifications and making it as equitable as possible. But the situation is that taxes have got to be there to pay for the services that we have. Any individual member of this House who stands up and says that they are opposed to taxes, no matter what kind of taxes, as was said in Bonavista and other places a little while ago, if they are opposed to taxes and if they are going to keep on demanding the kind of services that people do deserve - we all know they deserve the facilities of new schools, we all know they need better roads.

MR. MORGAN:

to take the children over each day, we all know they need good contracts for the bus servicing to bus the children back and forth to school. And I can go on. They need modern conveniences like water and sewer in the towns where the schools are and where the children are living, etc. But they have to be paid for by some means of taxation. There is no other way. We are not living in some kind of a dream world where we can pull down from some imaginary thing in the sky millions of dollars each year. And the people of this Province should understand, in fact, I think they do understand, that any person who stands in the House and leaves the impression that taxes should not be out there, are deceiving the people, deceiving themselves and deceiving their own party that they represent. And that will be the downfall of any possible chance they have of ever becoming the governing party of this Province.

If, for example, the Leader of the Opposition went down and told the people in my own district a little while ago - if he had said, 'Well, look, if you are going to have these kinds of services you are demanding and if your member is going to be pressing to get these funds for you, in your minds you have to have an understanding that these services have to be paid for. The Newfoundland Government, the members on this side of the House here, are the administrators, but the government sources of revenue are the people, the people whom each of us talk to every day of the week. Any person we talk to and we say to them, 'No, we agree with you, there is no need for taxes', it is totally irresponsible. And I would say in my few remarks on this issue, that the hon. gentleman is doing a great disservice to education.

I heard him a few days ago on the radio network, electronic media, talking about the university

MR. MORGAN: and the increased cost of tuition. He left the clear impression he was the member for the university. I have yet to hear him speak about the problems in the Bay de Verde district, but I get letter after letter every day from fishermen's committees and councils looking for improvements to marine facilities, every day from the Bay de Verde riding. I have yet to hear him talk about

MR. MORGAN: the needs in his own riding, but I hear him talking about the needs of the university, and talking about how the government has been irresponsible in cutting back on the university budget.

Again I want to ask the question, if we do not cut back on the university budget, who will supply the funds? Who will supply the funds?

MR. BARRETT: General Revenue.

MR. MORGAN: If we cannot be reasonable in what we allocate to the university or to the school boards for the operations of schools, we are not being responsible in managing the affairs of the people who elected us to power to administer their affairs for them. That is the reason why we are here. I have been here since 1971 on the government side, and the reason why I am here in the Cabinet is to administer the affairs of all the people of Newfoundland.

AN HON. MEMBER: That is right.

MR. MORGAN: And if I do not administer the affairs of all of the people of Newfoundland in a responsible way as part of the Premier's Cabinet, if I do not do that, the people will show me they do not like what I am doing in the next election.

AN HON. MEMBER: That is correct.

MR. MORGAN: That is the whole political process.

That is democracy. But it is wrong, it is totally wrong to let the students believe at the university, as it was portrayed a few days ago, to plant in the minds of students that the reason why you may have, you may have an increase in tuition fees, you may have an increase in the cost of going to university is because that silly Newfoundland Government there in power today is cutting back on the budget to the university. That was the irresponsible impression left -

SOME HON. MEMBERS: Shame!

MR. MORGAN: - by the Opposition spokesman for Education a few days ago, and that is totally wrong. But, of course, the fact is that students today, whether they are high school students or Grade VII or Grade VIII, they are far more intelligent than the kinds of statements and tributes made by certain members of the Opposition. They understand the realities of the financial world and the cost today, they do. They understand that right now is a time in the history of our Province when we do not have the kinds of dollars available to do the kinds of things we want to do, in 1980-81.

But with the help, hopefully, and co-operation of the federal authorities in Ottawa - we need the co-operation of Ottawa, there is no question about that, we are only a half a million people, we are a small Province. If we get the right co-operation from Ottawa, with the kinds of resources that we have as a Province with a half a million people, the offshore resources, the fisheries resources, the hydro power resources, the mining resources - I can go on - the potential that we have, that down the road I hope I will still be

MR. MORGAN: standing here as a member of the government and will be able to say, 'Look, we are not putting taxes on, we are going to take taxes off.'

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: And that day will come.  
Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. BENNETT: Mr. Speaker.

MR. SPEAKER (Butt): The hon. the member for St. Barbe.

MR. BENNETT: Mr. Speaker, I shall start off with the same remark that was made by the hon. the Minister of Fisheries (Mr. Morgan) when he said he was not going to speak until the shadow on education spoke. And I felt the same way, that I was probably not even going to speak on this bill myself, but indeed now I feel that I should have a few words.

The minister in his last remarks suggested that young people today better understand costs involved. They also, Mr. Speaker, understand that after they have bled their parents and bled their own pocketbooks, if they have any money when they are beginning in the Province where they have been raised and educated, they also realize they have no jobs forthcoming. And, Mr. Speaker, you will not find a person who will support expenditure on education any more than I shall support expenditure on education.

I believe by today's standards it is a crime to let our young people go out into the world, or, indeed, even stay in their own little communities unless they have a fair chance to have education. In order that they should be able to support their education, in order that they should be able to pay taxes to the Treasury, Mr. Speaker, they first of all have to be employed. They have to be gainfully employed and make some bread to go on their



MR. BENNETT: tables. And this is one of the many dilemmas that our people find themselves in today. I will admit it is not only Newfoundland that finds itself in this dilemma where unemployment is high, the cost of living is high. We have a lot of young people who deserve to be educated and I feel that this government should strain every resource at its disposal to make sure that our young people are educated, not only to the extent of Grade XI but with the trades and with the universities, and prepared to face a life with education.

It is very difficult, Mr. Speaker, I will admit, to run a country without taxes. It is very difficult

MR. T. BENNETT: for people to pay taxes unless they see returns for those taxes. And, Mr. Speaker, you have permitted a very broad discussion in this debate. People are reluctant, Mr. Speaker, to support a tax structure of a Province that in many cases is unable to provide the services for which those taxes have been implemented. We find this in rural Newfoundland more especially, where we do not have a tax base, we do not have an industry base. We are very fortunate in some parts of rural Newfoundland if we have a fishery, a fish plant that can support an income to justify taxation. And, Mr. Speaker, where we have that industry, that supporting industry where people are employed, the parents of children are better equipped to educate their children, they do not need as much help from governments. It is a Province like this where we have high unemployment, it is a Province like this that needs to have a lot of revenue from the Treasury to support its educational system, because our people do not have the income base to support the tax structure of the Province.

The hon. minister was suggesting that every day, every day members on this side of the House are demanding this and demanding that and demanding something else. Well, Mr. Speaker, I congratulate the members on this side of the House for being so demanding. That is exactly what they were elected for - to speak on behalf of the people in this Province and be demanding of the government. And it is up to the government, in its wisdom, to create an atmosphere where they, hopefully, can reduce taxation on people's backs and provide more of the services, including education. Not only education but many, many other things that we have to have taxes in place to support.

May 29, 1981

Tape No. 1987

DW - 2

MR. T. BENNETT:

But, Mr. Speaker, I would do without myself, personally, many things in order to support

MR. BENNETT: a better education, a better standard of education for our young people.

I think that we have to recognize that. There is \$411 million, I think something in the order of \$400 million, for education this year, Mr. Speaker. And I congratulate the government on having such a large budget for education. I wish they could have doubled that. Let us not overlook the fact that a lot of that comes from Ottawa. Let us not flog Ottawa like we do with some of the other revenue funding that comes down. Let us congratulate Ottawa. Let us negotiate and let us ask - let us negotiate with them and tell them that we need more money for education.

We continually, Mr. Speaker, use the shotgun approach on Ottawa exactly as we use a shotgun approach on some of our municipalities when we want to inflict taxes on them for water systems that have been introduced and installed by funding from Ottawa, generally through DREE funding.

MS. VERGE: (Inaudible) DREE agreement for education.

MR. BENNETT: Not for education, I am aware of that, except in the schools. We have a lot of schools, Madam Minister, which are DREE schools in the Province, so I understand.

MS. VERGE: There is no more DREE.

MR. BENNETT: Well, at this time, but there might very well be. Like I am suggesting, the shotgun approach that has been used -

MR. LUSH: The white elephant stall.

MR. BENNETT: The shot gun approach that is being used, no more DREE money for schools. Well, probably Ottawa feels that we have had sufficient funds, that they have spent sufficient funds in that form, that we should have done well enough with that expenditure. It would be interesting, Madam Minister, and I shall ask you one of these days exactly how many dollars of DREE money



MR. BENNETT: many time I have - this may not be on the subject matter at the moment but I cannot resist any further suggesting that there have been a lot of references made, or comments made about a \$150 dinner that some of us attended in this Province. The hon. gentleman from Humber West (Mr. Baird), would you like to know who paid for my dinner because I will tell you?

MR. BAIRD: (Inaudible) working for it.

MR. BENNETT: No, I paid for it. It is none of your business or anybody else's business that I did pay for it. It is nobody else's business, I paid for it and I did not pay \$150 for my dinner, I gave \$150 dollars to the fund, to raise money for the Liberal Party -

MR. BARRETT: You wasted your money.

MR. BENNETT: - and I went and I enjoyed the dinner. Well, that is for me to decide and I do not think that is anybody else's business. If I want to spend \$2,000 on thousands of dollars on a dinner -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Simms): Order, please!

MR. BENNETT: - I feel that it is my right to do it. However, I suspect there might even have been tax on that dinner. I suspect, Mr. Speaker, there may have been tax somewhere applied to that sixty odd thousand dollar fund raising campaign which the provincial Treasury benefited from too. So you should probably encourage more. But when I went back in my district the people there congratulated me and they said, 'Well, we would have liked to have been able to come into that dinner because it is very nice to see so many people supporting the Liberal Party. And, hopefully, the Premier will call an election and we will be ready for the next election very, very shortly.'

I would like to adjourn the debate, Mr. Speaker.

MR. SPEAKER: Well, is it agreed to call it

1:00 P.M. then?

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER (Simms):

The hon. President of the Council.

MR. MARSHALL:

Before I adjourn, Mr. Speaker, I would like in the spirit of great co-operation in the House, to inform the members of the opposite side that on Monday we will be getting into the concurrence debates. The first concurrence debate will be Social Policy followed by Resource and then Government Services. There are three hours - you have can use three hours for each one, you can use them whichever way ones wishes. Also, Mr. Speaker -

AN HON. MEMBER:

How about next week?

MR. MARSHALL:

No, we operate in an efficient -

AN HON. MEMBER:

(Inaudible)

MR. MARSHALL:

No, no. Not at all. We enjoy it in here and we carry on the business of the government in the orderly way and in accordance with the procedures that our forefathers gave us and we will continue on.

And now, Mr. Speaker, I would also indicate though so that the hon. members will understand, that that is subject to - when the Minister of Justice (Mr. Ottenheimer) comes back the Residential Tenancies Act may be put in before it. Do we understand that now? Subject to the Residential Tenancies Act being put in before the concurrence debates, okay?

SOME HON. MEMBERS

Oh, oh.

MR. SPEAKER:

Order, please!

MR. MARSHALL:

Now, having said that, I move the House at its rising do adjourn until tomorrow, Monday, at 3:00 P.M. and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Monday, June 1, 1981, at 3:00 P.M.