

VOL. 1

NO. 35

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 P.M. - 6:00 P.M.  
MONDAY, NOVEMBER 8, 1982

The House met at 3:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN (Russell): Order, please!

ORAL QUESTIONS

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, it is simply unbelievable and outrageous that the Minister of Finance (Dr. Collins) should not have made a statement today under Ministerial Statements in connection with the economy, a statement on the economy and on the financial mess that this administration has gotten this Province into.

The media have been announcing for the last week or so that we were going to have debate in this House -

MR. SPEAKER: Order, please!

Does the hon. Leader of the Opposition have a question?

MR. NEARY: Mr. Speaker, I think I am entitled to a preamble as they do in the Ontario Legislature, the same as they do in the House of Commons in Ottawa. And my question is for the Premier.

MR. TOBIN: Are you going to Ottawa?

MR. NEARY: As they do in every provincial Legislature of Canada, there is a preamble to the questions.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. NEARY: I would like to ask the Premier if he has taken an action to immediately demand the resignation of the Minister of Finance (Dr. Collins) -

SOME HON. MEMBERS: Oh, oh.

MR. NEARY: - and/or the senior officials, any of the senior officials in the Department of Finance for

MR. NEARY: getting this Province into the awful financial and dangerous mess that we are in at the present time?

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

PREMIER PECKFORD: Mr. Speaker, as a matter of fact, I had it in my mind to ask for the resignation of the Leader of the Opposition (Mr. Neary) in this House in the way in which the Liberal Party went about trying to present the resolution to their annual meeting in Ottawa over the weekend.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: Mr. Speaker, talk about anyone being prepared, they had to end up giving it to the member for Burin - St. George's somewhere to give to the Prime Minister. They did not have their homework done to make sure that the interests of Newfoundland were protected and that the national Party had an opportunity to vote on a very important issue for Newfoundland and for Canada.

As it relates to the substance of the question that the Leader of the Opposition asked, I should like to point out to the Leader of the Opposition that Newfoundland's unemployment rate over the last year has grown by about

PREMIER PECKFORD: by about 2.5 per cent, and that represents one of the third lowest increases of all the provinces of Canada over the last year.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: It might surprise the Leader of the Opposition (Mr. Neary) to know that Nova Scotia, where all the boom is supposed to be taking place, had an unemployment rate increase of 2.5 per cent as well as a credit downgrading in the bond markets of the world; that the great Province of British Columbia had an increase in its unemployment rate by 6.5 per cent; that Alberta, the great Province of Alberta, had an increase in its unemployment rate over the last year of 5 per cent. So when the Leader of the Opposition talks about the economic circumstances facing this Province, let me tell the Leader of the Opposition that it is a Canadian problem and it is a problem which hurts and hits other places in Canada worse than it has hurt here.

Let me also mention to the Leader of the Opposition when he talks about our government, somehow mismanaging the economy, let me mention to him that the Province of Nova Scotia is out somewhere around \$41 million just on revenues in the last six months - we are talking about \$60 million on expenditures and revenues over twelve months - that New Brunswick in six months is out over \$60 million; that the Province of Quebec is out over \$160 million; that the Province of Ontario is out \$326 million; that the Province of British Columbia is out \$730 million; that the federal government is out \$13.1 billion. We are doing a pretty good job, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, it seems to me we heard all that before. We heard the Government House Leader (Mr. Marshall) during the budget debate say that this Province is the only Province in Eastern Canada, the only one this year, he said, that managed to balance its budget. That was only six months ago, Mr. Speaker, that we heard this. And we are prepared, Mr. Speaker, to admit that the situation throughout the world is not good, that we are in a period of recession in Canada and the United States. But what we want to talk about, Mr. Speaker, is the mismanagement by the administration across the way.

Now the question I put to the Premier had to do with the mess that the Minister of Finance (Dr. Collins) and the officials in the Department of Finance have gotten us in. And I asked the Premier what he intended to do about his Minister of Finance, if he was going to ask for his resignation, and, of course, the answer that I got was what we expect of the Premier in this hon. House and this Province, sarcasm and politics about something that happened in Ottawa.

Now, Mr. Speaker, I will ask the hon. gentleman another question. Would the hon. gentleman tell the House if it is the government's intention to bring a budget before this House, at the earliest possible

MR. NEARY: opportunity, either in the form of a mini-budget, or a full-fledged budget in this House at an early a date as possible?

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

PREMIER PECKFORD: Mr. Speaker, just let me reiterate for the hon. Leader of the Opposition's edification that in talking about the situation that the Province finds itself in today, we are talking about no mismanagement, absolutely none by the Minister of Finance (Dr. J. Collins), or the people in the Department of Finance. Fifty per cent of the revenues that we are down on is because of the federal government estimates. They estimated on EPF, we took their figures, we went back at them three or four times, we took their figures on equalization and later on this past year, as late as the Thursday before last, they came back with new figures. So 50 per cent of the revenue short fall that we find is directly attributable to the estimates given to us by the Minister of Finance in Ottawa and by his officials. So if we are going to start asking people to resign, Mr. Speaker, then we are going to have to go to Ottawa and ask the new Minister of Finance and his officials to come up with better estimates.

The whole problem, Mr. Speaker, as I have indicated in the data that I have given, is that we have a revenue short fall in every province of Canada, and at the national level, and that is due to the down turn in the economy of Canada and the United States. We have, quicker I guess than any other province right now, recognized the revenue down fall, the short fall that we face, We have recognized it, I have not heard of any other Province yet indicate where they stand. We know the numbers, I was just giving some of the numbers to the hon. House, but we are going to try to arrest the situation early on, as quickly as we can. And therefore the various departments of government are trying to save money where they can for the next six months so that

PREMIER PECKFORD: potential short fall, that potential deficit, will not be there six months from now. We are not going to wait until the whole twelve months are up and then find that we have that short fall that we will have to report. We will try to take corrective measures now.

So there will be expenditure restraint practiced by all the departments, and the Minister of Finance (Dr. J. Collins), after that process is gone through today and tomorrow and the next day, we will be making a statement to the House as to where we are at that particular time.

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

MR. NEARY: What a cowardly way for the  
Premier to try to weasel out from under his responsibilities,  
Mr. Speaker. The fact of the matter is that the budget that  
was brought down six months ago was unrealistic and, as I said at  
that time, they had cooked the books and manipulated the figures  
to make themselves look good after a costly, unnecessary provincial  
election. That is the truth of the matter, Mr. Speaker, and  
heads should roll, heads should roll for causing that mess  
which -

SOME HON. MEMBERS: Oh, oh;

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

MR. SPEAKER: Order, please!

MR. MARSHALL: This is Question Period, Mr.  
Speaker and the hon. gentleman is commenting on the  
questions that are given. He is entitled to ask a question  
but not go into these lengthy preambles.

MR. TULK: He is touchy today.

MR. WARREN: Yes, touchy today.

MR. SPEAKER: Order, please!

I am sure hon. members are  
aware that the Question Period is limited to thirty  
minutes and I am sure hon. members to my right do have a  
number of questions they would like to ask. Questions  
should be brief and the answers should be equally brief.

MR. NEARY: Mr. Speaker, I am going  
to put another question to the hon. gentleman. The



MR. NEARY: hon. gentleman did not answer my second question, by the way, no more than he answered the first. He did not tell the House or the people of this Province whether we are going to get a mini-budget or a budget shortly in this House, at as early a date as possible.

Could the Premier tell the House when he first found out that there was going to be a deficit in current accounts? When was it drawn to the Premier's attention that we were headed say for a \$1 million or a \$5 million deficit in current account, or was it indeed brought to the hon. gentleman's attention at all?

MR. SPEAKER (Russell): The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, in answering that question it has to be fully recognized that in the first three or four months, or six months or eight months of any given year we could be heading towards a deficit only to end up at the end of the year, without doing a thing, into a surplus. This has happened before. As a matter of fact, in a number of the last couple of years since this administration has been here we have witnessed surpluses totalling \$129 million over the last three budgets, \$129 million. Some of those surpluses were due because the economy was good and our predictions were dead on as related to revenue generation. They are also due to positive variances that came in at the end of the year based upon a census that was taken by the federal government. So at any one time in any fiscal year it is difficult to determine whether in fact you are going to be in a legitimate deficit or a legitimate surplus position because the federal government does not let you

PREMIER PECKFORD:

know whether in fact you are going to get your EPF entitlements based upon a certain population, or less. For example, this year, Mr. Speaker, we will be losing \$20 million based upon a census which was just completed which we were just told about two Thursdays ago; \$19.7 million we are going to lose because the federal government told us in the last couple of weeks that they based their EPF for the last three years upon population figures which were more than they had thought. In other words, we had lost people on outflow of migration. So we are going to lose in one year \$19 million because of their wrong calculation of the population of the Province for the last three years. So there is \$20 million down. Now, that could have just very well have been a positive variance. So each year in doing up our budget it is always recognized -

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

Mr. Speaker, may I be allowed to answer the question?

MR. SPEAKER (Russell):

Order, please! Order, please!

PREMIER PECKFORD:

So in answering the question, Mr. Speaker, I have to preface it by saying in any one year there could be a variance of \$20 million to \$30 million one way or the other in equalization entitlements or EPF based on new figures that come in from the federal government late in that fiscal year. They just give us estimates at the beginning of the year, we use those estimates for our budget, but then they could be negative or positive by \$20 million or \$30 million, and when you have a surplus of \$5 million that means if it is a negative variance you are going to be down \$15 million or \$20 million automatically on a deficit. So you have to recognize the

PREMIER PECKFORD: variables that are contained within the fiscal system, that is number one.

Now, Mr. Speaker, the question of knowing when there is a deficit or a surplus then is a difficult question. It is also difficult because you have to wait until people buy or do not buy. So in any one month on retail sales tax, for example - in April and May we were up on retail sales tax. Now we were doing okay. Then along came June, the month of June came along. Now we had to wait for June to be over, we could not estimate how much people were going to buy on the 20th of June, we had to wait for June to be over. June was down substantially. There was a marked decrease in our RST in June, Then you could suddenly wave the flag and say, 'We are going to be in a deficit situation.' But what happened in July? Away goes the RST up again. So we are now predicting - based upon the fluctuations because they have been up and down over the months; one month has been 50 per cent higher than the other, you cannot tell - we are predicting that RST could be down upwards to \$15 million or \$20 million. We do not know if it will be \$15 million, we do not know if it will be \$20 million, we do not know if it will be \$16 million, perhaps it will be \$12 million. So it is difficult.

The Minister of Finance

(Dr. Collins), however, did, when the figures came in from the federal government in June or July, indicate that the latest estimate, prediction

PREMIER PECKFORD:

federal government on equalization was about \$25 million different than it was when they gave us those figures in March.

MR. TULK:

Now they made the mistake, eh?

PREMIER PECKFORD:

Well, there you go. That is how well they can predict because it is all based upon economic factors which change from province to province. If Ontario is doing well, equalization is up. If Ontario is doing bad, then equalization might be down. So, therefore, you are talking about an area which is difficult, especially in a recessionary period, to predict. What we are doing now, based upon the best data we have using the past six months is that this is what our deficit would be if we continued on the present route, but you cannot say for sure. So in any one month you can raise the red flag and say we are going to be in a deficit. By the same token, any one alternate month you could raise the flag and say we are going to be in a surplus. That is the problem that we have in Newfoundland because our whole financial situation is so fragile. It is so fragile we are not in the position of other provinces where a variance of \$20 million or \$30 million does not mean anything. It does not mean anything in most of the provinces because they are usually in the hundreds of millions anyway, but it means a lot here when you are talking about a surplus or a deficit of \$5 million, \$10 million, \$15 million or \$20 million. So we waited, therefore, Mr. Speaker, because we did not want to say, 'Wow'. The sales taxes are up in July, therefore we have a surplus.' We did not want to say, 'The sales taxes are down in June, therefore we have a deficit.' We waited for the second quarter statistics to come in, we waited for the second quarter numbers to come in, and based upon those numbers we have made the following predictions for the rest of the year. So we made them in good faith. So we became aware that there was not the up and

PREMIER PECKFORD: down, one month positive/one month negative; it looked like there were more negatives, especially in August and September. And based upon that we got the figures on RST as quick as we could, we requested the federal government to give us their latest estimates on EPF and equalization, and when they gave them to us, which were also down, then we said, 'Okay, that is halfway through the year, we have got two quarters under our belts; based on two quarters we should now begin to do something.'

MR. S. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I cannot say that I am surprised to find the out migration of this Province has affected the revenues from the Government of Canada. It will become a wasteland if this administration is allowed to stay, a wasteland with no population, just moose and caribou and a few rabbits. I might say also, Mr. Speaker, that the increase in equalization grants this year to this Province alone from the Government of Canada is \$150 million over and above what this Province received last year. So how can the hon. gentleman stand there so barefaced and say that the revenue is down when it is up by \$150 million from the Government of Canada?

Now, Mr. Speaker, the hon. gentleman said they found this out in June or July, they knew we were headed for a substantial deficit in current account.

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

Order, please! The hon. the Premier.

PREMIER PECKFORD:

A point of order. I have to take issue with the Leader of the Opposition (Mr. Neary).

PREMIER PECKFORD:

I did not say that. I said that one month we are up and the next month we are down. And therefore the Leader of the Opposition cannot make out of that that I said we were down.

MR. SPEAKER (Russell): Order, please!

The Chair rules that it is really a difference of opinion in certain sentences or facts made between two hon. members.

MR. NEARY: Mr. Speaker, my understanding of the answer that was given by the hon. gentleman - and I will have to put the question in another way - was that the hon. gentleman became aware in June or July, he was told by his Minister of Finance (Dr. Collins) in June or July because of the out migration of population, because of the loss of revenue from retail sales tax, sales were down, that the hon. gentleman was advised in June or July -

MR. TULK: At a time when this House was open.

MR. NEARY: - that there was a deficit at that particular time.

MR. WARREN: That is right.

MR. NEARY: But the hon. gentleman also said he waited for the second quarter, the report, the figures on the second quarter before he made it known to the people of this Province.

Now am I interpreting what the hon. gentleman said correctly, that the hon. Premier knew in June or July that there was a down turn, a sudden down turn in the economy only three or four weeks after they brought down the Budget? They brought down the Budget on May 27, and in June the hon. gentleman discovered that we are going to have

MR. NEARY: a deficit for June and July because of the down turn in economy.

MR. TULK: And the House was still open.

MR. NEARY: Well then the hon. gentleman better clarify himself, because that is what everybody in this House understood the hon. gentleman to say.

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

PREMIER PECKFORD: What I said was, Mr. Speaker, that in June the retail sales tax was down, but in July it was up. Now how can anyone interpret that to mean that we were going to be in deficit, Mr. Speaker? That is what I would like to know. In June it was down, in July it went way up again. Out migration has nothing to do with it. The EPF entitlement, which we thought was going to be \$19.7 million higher than it is, is based on figures that the federal government gave us a few weeks ago based upon the fact that their census figures for those years are less than they thought they were going to be. And they want back that \$20 million, or \$19.7 million in one year, even though it covered three years. Out migration has to do with established programme financing. It has nothing to do with retail sales, it has nothing to do with equalization.

Let me also indicate, Mr. Speaker, to the hon. Leader of the Opposition (Mr. Neary) that if he looked in the Budget of May he would have seen that what we are going to get in total on equalization - obviously he has not read the Provincial Budget - in equalization we budgeted that we are going to get \$548 million in equalization. That is in the Budget. That is

PREMIER PECKFORD: a public figure, \$548 million. We  
now find on equalization that we are going to get \$542 million-

MR. NEARY: You got \$150 million more than last year.

PREMIER PECKFORD: - so we are down there.

MR. NEARY: How do you get a \$50 million short fall there?

PREMIER PECKFORD: We are talking about why are we in  
a deficit. So we have a deficit this year, in this Budget.



PREMIER PECKFORD: So if we look at this budget and we say \$548 million, I am indicating to the Leader of the Opposition (Mr. Neary) that the latest figures from the federal government indicate that that figure is down. Therefore if we are down on equalization within this year -

MR. NEARY: It is up \$150 million.

PREMIER PECKFORD: - down within this year, the deficit has to do with this year.

MR. NEARY: The latest figures I have from Ottawa are it is up by \$150 million.

PREMIER PECKFORD: EPF was supposed to be \$155 million in this year's budget.

MR. NEARY: How much do you want anyway?

PREMIER PECKFORD: You are talking about the deficit for this year?

MR. NEARY: How much was it last year?

MR. SPEAKER (Russell): Order, please!

PREMIER PECKFORD: Mr. Speaker, the Leader of the Opposition does not like the facts. The Leader of the Opposition wanted to talk about the deficit this year. Now he wants me to address myself to the budget of last year. Now what does the Leader of the Opposition want, Mr. Speaker? If he wants the budget of this year I will give it to him. I am telling him that in that budget which he has a copy of, which he has no doubt scrutinized and knows the numbers of just right off the top of his head, \$548 million, it is now \$542 million. On Established Programme Financing we budgeted, based upon the figures given to us by the federal government, \$155 million; it is down now to \$136 million. On personal income tax we have improved our situation on personal income tax believe it or not.

MR. NEARY: Oh, is that so? That has nothing to do with what we are talking about here.

PREMIER PECKFORD: On corporate income tax, because of Abitibi-Price, Mr. Speaker, and the down turn, because of

PREMIER PECKFORD: Bowaters; because of the mining companies and the down turns -

SOME HON. MEMBERS: Oh, oh.

PREMIER PECKFORD: - predicted by the federal government, and we would have predicted the same as the federal government did - \$54 million was predicted in corporate taxes based upon their profits. That \$54 million is down to \$34 million. And every province and every government would have predicted the same way as did the federal government based upon the best information that they had. So when the Leader of the Opposition (Mr. Neary) talks about June or July, Mr. Speaker, he is erroneous. The fact of the matter is that over the last two quarters, based upon this new information that we got two weeks ago from the federal government who do the estimating on these things - equalization, EPF, personal income tax and corporate income tax because they collect it for us and then pass it over to us - their predictions were, and now they are, and we are down 50 per cent of our revenues just on those predictions alone - 50 per cent.

SOME HON. MEMBERS: Oh, oh.

PREMIER PECKFORD: So, Mr. Speaker, that is the facts of the matter and the Leader of the Opposition, as hard as he wants to try, has to admit that his colleagues in Ottawa, for all the great predictions, have seen their own deficit go from \$10.5 billion to \$23.6 billion. And Alberta, British Columbia, Nova Scotia have all seen the same thing.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, what a gigantic bluff.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, is it any wonder that as a result of that last budget that was brought down that the credibility and believability of this administration is in jeopardy right now.

MR. WARREN: Gone! Even their own members do not believe them.

MR. NEARY: It is gone. Mr. Speaker, the hon. the Premier may be well intentioned and

MR. NEARY: well meaning, Mr. Speaker,  
but he does not seem to understand the situation.

MR. WARREN: No, he is not bright enough.

MR. NEARY: He does not understand it.  
He still wants to play his little political games on this  
very serious matter that could bankrupt this Province.  
The hon. gentleman does not seem to understand the  
magnitude of this problem. He does not understand. And  
he does not want to understand. Perhaps the Minister of  
Finance (Dr. Collins) might understand. He may.

MR. WARREN: No, no.

MR. NEARY: I doubt it.

So the hon. gentleman is not  
going to bluff his way out of it. The fact of the matter  
is that the revenues coming into this Province from Ottawa  
are upsubstantially, Mr. Speaker, over last year.

MR. WARREN: You bluffed the people. You  
bluffed the people.

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

MR. NEARY: Mr. Speaker, the impression  
the hon. gentleman is leaving in this House and abroad is  
that the revenue from Ottawa is down substantially when in  
actual fact it is up in equalization alone by \$150 million.

SOME HON. MEMBERS: Yes. Yes.

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

MR. MARSHALL: Mr. Speaker, this is the  
Question Period, it is the time for questions. If the hon.  
gentleman wishes to issue an apology for his friends and  
colleagues in Ottawa, there is another time and place that  
he can do it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

MR. SPEAKER (Russell): At the commencement of the Question Period I asked the Leader of the Opposition (Mr. Neary) if he had a question and he mentioned that maybe a preamble should be permitted. I submit that on this particular question the Leader of the Opposition has had a very adequate preamble and maybe now he has a question.

MR. NEARY: Mr. Speaker, I want to come back to the timing. The timing is very important in this matter because now defenceless people, sick people, people on welfare, hungry people are being asked to pay for the mismanagement and the mess that this administration has gotten us into in this Province. Now, timing is very important. Could the hon. gentleman tell us -

MR. WARREN: The bluff is finished.

MR. NEARY: - back in June or July, or even in August or September, surely, we are living in a computer age and we have the latest technology, the Premier must have been advised almost on a daily basis of what was happening financially in this Province. What steps did the hon. gentleman take back in June and July to curb, to reduce, to deal with the deficit that was accumulating in current account? Did the hon. gentleman take steps to stop the wild spending spree the administration was on then? The wild parties they were having when the Cabinet was roaming around the Province, the parties they were having to open a laboratory in Grand falls, the advertising in the newspapers for political purposes to carry on the next federal election, did the hon. gentleman eliminate any of that extravagance and waste and mismanagement? Did he deal with that then or did he just let it go and spring it on the Newfoundland people that we were \$51 million in debt a couple of weeks ago, and headed for a deficit in current account of \$70 million, which is devastating to the credit of this Province?

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

PREMIER PECKFORD: Mr. Speaker, let me deal with the first matter that the Leader of the Opposition brings up. He does not now want to deal with this year's budget, he wants to deal with last year and how much we are getting this year over last year. He started off his questioning asking about the difference between the money we have now and what we had in May. Now he has changed his tune to deal with the money we had last year compared to what we have this year.

Now let us deal with what we have got this year over last year from the federal government. Under the new Financial Arrangements Act - if the Leader of the Opposition (Mr. Neary) wants to get into last year - under the new Financial Arrangements Act if the old five year agreement had been allowed to run, in another five years, without any changes, we would have gotten more money from the federal government this year than we got. Now that is the truth of that matter, Mr. Speaker, if he wants to talk about how much more we got this year over last year, let me remind the Leader of the Opposition it was the federal government that changed the last five years Financial Arrangements Act to ensure that the rate of increase that we got for the next five years was less. So if we had the old agreement in place we would be getting more this year than we are now getting. That is number one.

Number two, on the budget, as I have indicated, if the Leader of the Opposition wants to deal with this year, if he wants to deal with this year then I have indicated to him that the federal estimates, because they estimated for over 50 per cent of our revenues, were off, were off substantially, as were their own figures for their own budget, as were the revenue flows for all the other provinces off, from the best experts and the best advice you could get in

PREMIER PECKFORD: Canada, down from \$998 million to \$965 million, by their own admission.

And lastly let me say to the Leader of the Opposition, Mr. Speaker, that after June and July - the budget came down in May - after June and July were finished, what did we do, Mr. Speaker? What did we do to try to correct even then, even though July was up, June was down, July was up now, what did we do because we could see certain things happening. There was a meeting in Ottawa, an economic summit, we talked about different measures, and we came back and in August - what did we do in August, Mr. Speaker? What did we do? We announced a wage restraint programme. That is what we did. That was the first action we took. We announced a wage restraint programme. Did we do it the way the federal government did, six for everybody and then five in the second year? No, Mr. Speaker, We tried to make it fair and give seven per cent to the lowest paid worker and five per cent to highest paid worker.

MR. CALLAN: Five and four for the teachers.

PREMIER PECKFORD: That is what we did, Mr. Speaker, that is exactly what we did. So we took action even after July figures were up on retail sales for which we have some estimates, that is not a federal government one at all. That is our own.

PREMIER PECKFORD: So when we saw that fluctuating up and down, we took action and we instituted a wage restraint programme. That was our first action. My final point, Mr. Speaker, to the Leader of the Opposition (Mr. Neary) when he talks about the financial credit of this Province, let me indicate to the Leader of the Opposition, who has always so eloquently expounded the great virtues of Nova Scotia and all that they are getting up there, who got credit downgradings in the review this year? Who, Mr. Speaker? The province of Nova Scotia and the province of Quebec. Who remains stable? The Province of Newfoundland in spite of all of that.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: The proof of the pudding is in the eating, and when they reviewed us and they saw our documents and saw what we had done and tried to do and how well we have managed ourselves for the last three years, \$129 million worth of surplus to show for it, saving the people by the way. Every time we have a surplus, what do we do with it, Mr. Speaker? We use that to reduce the amount we have to borrow. So if we were going to borrow last year \$150 million and we had a \$5 million surplus last year, which we did, what did we do with it? We put the \$5 million against \$150 million and only borrowed \$145 million. That is what we did with it. So we are saving the taxpayer's money on interest rates by using that surplus on capital account.

So, Mr. Speaker, when the Leader of the Opposition talks about financial integrity, let him go to New York or let him go to Paris and let him ask about the financial rating of this Province. We are the ones that are stable. There are others who are



PREMIER PECKFORD: falling.

SOME HON. MEMBERS: Oh, oh!

MR.SPEAKER (Russell): Order, please! The time for the Question Period has expired.

MR.NEARY: We will carry on again tomorrow, Sir.

NOTICES OF MOTION

MR.SPEAKER: The hon. Minister of Finance.

SOME HON.MEMBERS: Hear, hear!

DR. COLLINS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the bill, intituled, " An Act To Amend The Pension (Auditor General) Act, 1968," and "An Act Respecting Pension Benefits" and "An Act Respecting Pensions For The Members Of the Royal Newfoundland Constabulary And The St. John's Fire Department And The Staff Of Her Majesty's Penitentiary."

MR.SPEAKER: The hon. Minister of Justice.

MR.OTTENHEIMER: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the bill intituled, "An Act To Amend The Judicature Act."

MR.SPEAKER: The hon. Minister of Communications.

MR. DOYLE: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the bill intituled, "An Act To Amend The Public Utilities Act."

SOME HON.MEMBERS: Hear, hear!

MR.SPEAKER: The hon. Minister of Transportation.

MR. DAWE: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following bills, "An Act To Promote Public Safety In The Transportation Of Dangerous Goods," and "An Act To

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MR. DAWE: Amend The Department Of  
Transportation Act."

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I give notice  
that I will on tomorrow ask leave to introduce the  
following resolution:

WHEREAS the Government of Newfoundland has sought a  
political settlement to the offshore resources question; and

WHEREAS the Government of Newfoundland placed a  
compromise proposal before the federal government on  
January 25, 1982; and

WHEREAS the Government of Canada has not answered this  
proposal; and

WHEREAS the Government of Newfoundland continues to seek  
a political settlement; and

PREMIER PECKFORD:

WHEREAS the Prime Minister of Canada has made statements which are provocative and unnecessary;

BE IT THEREFORE RESOLVED that this House go on record in, one, condemning the statements of the Prime Minister as helping to destroy a climate necessary for a political settlement; -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: - and, two, request the federal government to answer the Government of Newfoundland's compromise proposal.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

MR. SPEAKER (Russell): The hon. the member for LaPoile.

MR. NEARY: Would the hon. gentleman indicate when he wishes to have that resolution debated? May we debate that right away, or is the hon. gentleman just going to leave it on the Order Paper until after the session closes?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: No, we will debate it when we wish to call it. But we have government -

MR. NEARY: Why can we not debate it now? If you have the courage of your convictions, debate it now.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: We will call it. We will call it when it is appropriate.

SOME HON. MEMBERS: Oh, oh!

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

SOME HON. MEMBERS: Oh, oh!

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

MR. SPEAKER (Russell): I would like to extend a special welcome to the galleries today to the hon. the Minister of Employment and Immigration, the hon. Lloyd Axworthy, who is visiting the Province to hold discussions with our provincial Minister of Labour and Manpower (Mr. Dinn). I welcome you to the galleries today.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

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

SOME HON. MEMBERS: Oh, oh!

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

ORDERS OF THE DAY

MR. MARSHALL: Order 35, Bill No. 15.

Motion, second reading of a bill,

"An Act To Amend The Conflict Of Interest Act, 1973".

(Bill No. 15).

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, on May 14th of last year, I presented to this hon. House draft copies of a Conflict of Interest Guidelines for Ministers and Conflict of Interest regulations for

PREMIER PECKFORD: public employees. As I stated at that time, the intent of these guidelines and regulations is to strengthen the safeguards surrounding the public interest by ensuring that high standards of ethical conduct are maintained within government.

Today I am presenting to the House for second reading a bill entitled, "An Act To Amend The Conflict Of Interest Act, 1973". The purpose of this amendment is to give government the legislative authority to implement the conflict of interest (ministers) guidelines and the conflict of interest (public employees) regulations.

The major provisions of these guidelines and regulations are as follows:

One: The conflict of interest (ministers) guidelines will apply to all ministers of the Crown, Parliamentary Assistant to the Premier, the Special Assistant to the Premier, and the Parliamentary Secretaries to ministers. The conflict of interest (public employees) regulations will apply to all employees, other than seasonal employees, of government departments and agencies of the Province, as well as to employees of certain companies and other organizations in which government has a substantial interest. A specific listing of these organizations is given in the schedule to the regulations, which I will table now in a few minutes.

Secondly: Ministers, their spouses and minor children, as well as organizations in which they have a financial interest, will require my personal approval before becoming eligible to receive contracts, grants or leases of land, or financial assistance for commercial purposes (such as grants, loans, guarantees or subsidies) from the Province or any agency of the Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Similarly, public employees, their spouses and their minor children will require Cabinet's approval before becoming eligible to receive such benefits from the department or organization with which the public employee is currently employed or was last employed. These provisions will remain in effect for one year after a minister or a public employee leaves government.

Thirdly: Ministers will not be permitted to use the prerogatives of their office to gain preferential access to benefits from government such as access to government premises, equipment or supplies other than for normal business use.

Fourthly: Ministers will not be permitted to own shares or have an interest in any company, partnership or association that is engaged in exploration for oil, gas or minerals or that has as its primary purpose the business of land speculation or development within the Province, nor will ministers be permitted to engage in land speculation in their own names if the Premier determines that such interests or activities create a conflict of interest for a minister. Ministers will also be required to report to me in writing any such interests held by their spouses or minor children. Similar provisions apply to those senior public employees appointed by Order-in-Council, as well as to other public employees designated by Cabinet.

Fifthly: Ministers and public employees will not be permitted to use confidential information acquired in the course of their official duties to benefit themselves or other persons.

Sixthly: Standards are set for the involvement of ministers and public employees in activities outside their official duties. From now on ministers and public employees may not hold any employment, office or

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PREMIER PECKFORD: position, including self-employment,  
that conflicts with their officials duties. Also, they will  
not be permitted to use their position

PREMIER PECKFORD:

or to use government facilities to further their interest in any outside employment, office or position. Additionally, ministers and public employees will not be permitted to allow plans or offers of future employment to influence them in the performance of their official duties. Seventh: Standards are also set for the conduct of ministers and public employees in situations where they might be able to benefit their relatives. Ministers and public employees will now be forbidden from granting preferential treatment to relatives or to organizations in which they or their relatives have a financial or other interest. Additionally, they are required to disqualify themselves from participating in public service appointments or promotions if a relative is involved in the competition for the position under consideration. Furthermore, they will be required to disqualify themselves from exercising regulatory, inspection or discretionary powers in matters that involve themselves or their relatives.

Eighth: Ministers will be required to declare their active association with any private interest groups or voluntary agencies. Additionally, ministers will be required to disqualify themselves from participating in any government decisions concerning their groups or agencies. Public employees will be required to disclose their involvement in voluntary agencies and may be required to disqualify themselves from participating in government activities respecting such interest groups or voluntary agencies.

Ninth: Ministers will not be permitted to accept gifts, favours or services from any person who has dealings with government except for the exchange of normal hospitality between persons doing business together



PREMIER PECKFORD: and the exchange of gifts and tokens as part of protocol or at public functions. A similar provision applies to public employees in that they will be forbidden from accepting gifts, favours or services from persons who deal with the department of agency which employs them.

Tenth: Under the guidelines for ministers, the Premier shall have the right to determine whether any situation creates a conflict of interest for a minister and he shall have the power to take any actions necessary to resolve situations which he considers to be conflicts of interest. Since it is the Premier who determines the composition of Cabinet and appoints ministers to Cabinet, it is appropriate that the Premier should exercise the powers of review and adjudication with respect to the conflict of interest (Ministers) guidelines. Examples of the kinds of actions the Premier might take include requiring ministers, their spouses or their minor children to divest themselves of any interests or assets that create a conflict of interest or to place the assets or interests in trust.

PREMIER PECKFORD:

Eleventh: Under the regulations for public employees, department heads (that is, deputy ministers or the heads of various government agencies, companies and organizations) will have the power to determine whether an employee is in a conflict of interest and will be empowered to require the employee to take the necessary actions to resolve such conflicts. Under these regulations, public employees will also have the right to a special appeal process which will be in addition to any appeal procedures they may have under the various collective agreements negotiated between government and the unions.

In closing, I wish to note that the amendment contained in this bill strengthens the existing provisions of the Conflict of Interest Act. The provisions of the act which require ministers and certain public employees to make a written disclosure of their assets and interests will continue in effect. Furthermore, the guidelines and regulations which will be implemented pursuant to this amendment will set specific standards of ethical conduct for ministers and public employees in those areas where their private affairs could create a conflict of interest with their official duties.

Mr. Speaker, I table the guidelines that are here and I look forward to some debate and discussion at second reading level upon the amendments that I am now proposing.

Thank you very much.

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

MR. NEARY: Mr. Speaker, first of all let me say that we are not overly impressed on this side of the House with the way that the hon. the Premier has gone about legislating morality amongst his ministers and officials of the government.

The hon. gentleman, Mr. Speaker, has set himself up now as the godfather, the godfather. If anybody wants to have outside interests, or if anybody wants to hire their friend, or their relative, or their political buddy, all you have to do is go and ask the Premier. Just go and genuflect and kiss the hem of his garment, and if he is not there kiss his picture, and say, "Is it all right if I appoint So-and-So to a board? Is it all right if I appoint my law partner as President of the Board of Regents over at Memorial University? Is that all right?" "Is it all right," so says the Minister of Public Works (Mr. Young) when he comes to see the Premier, "if all the hiring in my department is done by my party supporters in the district of Harbour Grace? Is that all right, Your Honour," he says to him?

MR. TULK: Your Worshp.

MR. NEARY: Your Worship. "Emperor, is that all right?" And the godfather would say, "Yes, that is all right. He is a Tory?" "Yes"! "You are sure now? You checked him out?" "Yes". "He is a real dyed-in-the-wool Tory?" "Yes." "A blue blood?" "Yes."

MR. TULK: They did that in Stephenville.

MR. NEARY: "Hire him then. Hire him. By all means hire him." That is all you have to do, Mr. Speaker.

MR. WARREN: Oh, it has been done. It was done last year.

MR. NEARY: If you want to sit in the Cabinet as a Cabinet Minister and you want to represent the Bank of Montreal, you go to the Premier and you say, 'Mr. Godfather, I want to continue representing the Bank of Montreal. Now I know they are the government's bankers, I understand that, but I want to tell you, Mr. Premier, that I am an honest man and I would never do anything, Sir, to hurt this Province or to hurt the people of this Province. Mr. Premier, I would not do that, I am an honest man.'

MR. TOBIN: Tell us how you hired them.

MR. NEARY: And the Premier would say, 'Boy, that is great, you can carry on and you can represent the Bank of Montreal, but when we are talking about matters in Cabinet about the Bank of Montreal, of course, you will withdraw. You will not sit in on these discussions.' 'Oh, no, Mr. Premier, I would not do that. I still want to get my commissions, I still want my law office to look after the affairs of the Bank of Montreal.' 'Fine, boy, When I go into the House I will tell the people of this Province how honest you are, how much I trust you. You are a wonderful man, you are an honest man. Carry on, represent the Bank of Montreal, forget principle, forget conflict of interest, forget it! You are honest. I believe you when you tell me you are honest.' I can go on and on, Mr. Speaker, but the whole thing is a sham, it is a farce. It is a farce, Mr. Speaker.

MR. TOBIN: If there are any angles you know them all, that is for sure.

MR. NEARY: It is a farce. The Minister of Public Works (Mr. Young), who has a reputation more than any of our ministers of political favoritism and of political appointments, who hires party supporters only, all he has to do is go to the -

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

MR. SPEAKER (Aylward): A point of order, the hon. Minister of Public Works and Services.

MR. YOUNG: I hired some Summer students. I would like to ask him if the son of one of his colleagues sitting on that side is a supporter of our party? That is a question I would like to ask. And I can name other people around. Mr. Speaker, I do not hire any political people, I hire people who I feel can do the work.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Mr. Speaker, to that point of order.

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

MR. NEARY: That is not a point of order, That is just a low down, snake in the grass -

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: - a low down, snake in the grass remark -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. NEARY: - from the hon. gentlemen -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. NEARY: - to try to cover up for his skulduggery.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

To that point of order, it is merely a difference of opinion between two hon. members.

The hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, the hon. gentleman has a reputation -

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MR. YOUNG:

Of getting elected -

MR. NEARY:

Yes.

SOME HON. MEMBERS:

Hear, hear.

MR. YOUNG:

votes, boy.

- by a big majority not by forty

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

Mr. Speaker, obviously I am touching a nerve with the hon. gentleman, but I would like for Your Honour to instruct the hon. gentleman -

Mr. Speaker, obviously I am

SOME HON. MEMBERS:

Oh, oh!

MR. NEARY:

a list I would be glad

If the hon. gentleman wants

MR. NEARY: to provide him with a list of the party hacks and supporters that he has been hiring in that department. Nobody else has a chance. No decent, God-fearing, able, competent Newfoundlander has a chance with the hon. gentleman.

MR. STAGG: That must be a Liberal, is it?

AN HON. MEMBER: (Inaudible).

MR. NEARY: Oh, Mr. Speaker, listen to it! Just listen to it! Mr. Speaker, just listen to the dirt!

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Now, if the hon. gentleman over there wants to get personal -

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: If the hon. the Premier wants his ministers to get personal, then I hope, Mr. Speaker, that hon. members opposite will remember who started these personality conflicts in the House. I would suggest to hon. gentlemen that they refrain from that sort of thing or they may be sorry, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, the fact of the matter is that these amendments do nothing to bar abuse of hiring, abuse of getting involved in business matters, transactions outside of this House, because all you have to do is go to the Godfather and ask him if you can do it. We had an example of that last Spring in the hiring of a fisheries officer on the West Coast -

MR. WARREN: Yes, right on!

MR. NEARY: - strongly condemned by the Ombudsman. But the Premier said, 'Well, as long as the Minister of Fisheries came and told me about it, it is okay, you can hire that party hack.' This administration, Mr. Speaker, wrote the book when it comes to political appointments. They wrote the book. They used to condemn

MR. NEARY: the former administration and the leader of that administration. They used to condemn him for political appointments in hiring, the same as LeSage was condemned in the Province of Quebec. Well, Mr. Speaker, the gentleman that they keep referring to was only a babe in the woods when it comes to political appointments and hiring your political friends and buddies and relatives. What about the Official Greeter? What about the appointment to the Farm Marketing Board? What about the appointment recently to the Board of Regents over at Memorial?

AN HON. MEMBER: They are qualified for their jobs.

MR. NEARY: They may be qualified and competent, Mr. Speaker, they may be good Newfoundlanders and good Canadians, but the fact of the matter is that there are other people out there who are just as competent and just as entitled to these jobs as people who support the Tory Party and the administration in power, and probably more entitled.



MR. NEARY: This is the crowd that wrote the book , Mr. Speaker, wrote the book about it. The Premier has a new technique of how you can try to portray yourself to the eyes of the public as being honest, intellectually honest, politically honest and at the same time carry on the worst record of any administration in this Province for political appointments. Mr. Speaker, we get calls in the Opposition , we get letters in the Opposition day in and day out about Newfoundlanders, men and women, young men and women , graduates of the university, graduates of the College of Trades and Technology and the vocational schools and the secretarial schools who apply for jobs in all sincerity only to be frustrated by the procedures laid down by this administration. One of the most dangerous procedures that was ever changed in this Province by an administration was changed by the Premier when he allowed the Public Service Commission to make three recommendations and ministers were not obligated to take the top name on that list. That was always the situation in this Province, Mr. Speaker. When a minister received a list from the Public Service Commission the principle was that the first name on that list would be the one that would receive the appointment, would receive the job. And hon. gentlemen can sneer all they want, Mr. Speaker, and I bet you dollars to donuts that they cannot produce one example where the former administration rejected that principle.

MR. TOBIN: What was the Liberal Public Tendering Act like?

MR. WARREN: You should know you were on tenders a couple of times.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Aylward): Order, please!

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MR. NEARY:

Mr. Speaker, the principle of by-passing the Public Service, the principle of not accepting the first name on the list when the Public Service carry out their

MR. S. NEARY: interviews, when they advertise for a position and they carry out their interviews - I do not know if hon. members are aware of it or not - they send a recommendation to the minister and that recommendation has three names. And up to the time that this administration took over, the minister always accepted the first name on the list.

MR. N. WINDSOR: That is not true.

MR. NEARY: It is true.

MR. WINDSOR: No, it is not.

MR. NEARY: The hon. gentleman is like the Premier, he is learning a bad example from the Premier. He makes statements with nothing to back them up.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, the Premier makes these kinds of statements. 'I telephoned Ottawa a half dozen times' or 'I wrote Ottawa' or 'We got these proposals before Ottawa'. And when we say to him in this House, 'Put the proof on the table of the House', the hon. gentleman cannot produce the documentation because, Mr. Speaker, the hon. gentleman is just running a bluff.

PREMIER PECKFORD: When I go to my annual meeting I have my resolutions prepared. I do not get caught out like that like the Leader of the Opposition (Mr. Neary).

MR. SPEAKER (Aylward): Order, please!

MR. NEARY: Mr. Speaker, in future the people of this Province, because the credibility and the believability of this administration has been so severely damaged in the last month, nobody in Newfoundland will believe now one word that this crowd say unless it is put there in black and white on the table of this House. That reminds me of the statement the hon. gentleman just made. Here is what I said, Mr. Speaker, that heretofore in the previous administration the policy and

MR. S. NEARY:

the principle, which is a very sound principle, was to accept the first name on that list. Now if the first name did not want the job or had found another job or had gotten sick or had died since the time it was advertised, then the minister would drop back to number two name on the list. And then if that person did not want the job for some reason or other, then number three name. But, Mr. Speaker, is that the way it works now? Is it? I am asking this House, is that the way it works?

SOME HON. MEMBERS:

No.

MR. NEARY:

No, Mr. Speaker, it is not. The way it works now is that a minister, when he gets his list with three names on it, looks at the first one and if he does not like the colour of his hair, he does not like his politics, he is not in the same social class as the administration would like to see him, would like him to be, for any reason at all

MR. NEARY:

a minister can go to the Premier and say, 'Mr. Premier, look, I have this list in front of me and the number one man is the best man but I do not want to hire him. He is not our man and I do not want to hire him.' Mr. Speaker, that is the policy being followed by this administration—dangerous and wide open for abuse.

I want the Premier to tell us when he has second reading on these amendments how often in the last year have hon. ministers gone to the hon. gentleman and said, I want to get out. We know of one case. We know of the case of the gentleman in Stephenville who was recommended by the Public Service Commission for his job and the Minister of Fisheries (Mr. Morgan) did not want to hire him because sometime during his life he had been associated with the Liberal Party.

MR. TOBIN: Tell us just the way you did it.

MR. NEARY: Mr. Speaker, I just told the hon. gentleman the way we did it.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Ha, ha, ha. Very funny.

MR. TOBIN: We would be here until next year if you had to tell the way you did it. Tell us again.

MR. NEARY: Mr. Speaker, I can tell the hon. gentleman how he is moving around this Province at taxpayers' expense during these times of restraint, and before he became a politician, too.

MR. TOBIN: Is that right?

MR. NEARY: Yes, that is right.

MR. TOBIN: Why do you not name him?

MR. NEARY: Yes, I will name him if I have to. The hon. gentleman should not throw stones, he might get them flung back at him.

MR. WARREN: That is right.

MR. DINN: Why not tell us what happened on Bell Island?

MR. NEARY: We are talking about a very serious principle, a departure from the norm that is followed by this administration. The hon. gentleman has set himself up as the godfather on everything. And all you have to do is go to him and say, 'Look', as the Minister of Fisheries (Mr. Morgan) did last year, 'I do not want to hire this man, because sometime during his life, I think, I am not sure now, but I heard he was a Liberal'. Well, Mr. Speaker, if that is so then the hon. Premier should be flicked out, because I do not know but he still has his Liberal card in his wallet. He was at one time a card carrying Liberal.

PREMIER PECKFORD: 'While still the light holds out to burn, /The vilest sinner may return.'

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker, I could go up and down the ranks of the government benches and I could name a number of members, Mr. Speaker -

MR. YOUNG: I saw the light, boy. I saw the light.

MR. NEARY: - who were Liberals, who probably still have their Liberal cards. They probably kept the last one for a souvenir, Mr. Speaker. So what does that have to do with hiring by the Public Service Commission, Mr. Speaker?

MR. TOBIN: Did you keep yours when you were an independent?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, if hon. gentlemen who are making these cracks could only read some of the letters that I have in my files! If they could only listen to some of the phone calls that we are getting in the Opposition office about discrimination in the hiring practices of this administration, about the political appointments that are made almost on a daily basis by this administration, they would not be so smart, Mr. Speaker, in making these wisecracks that they are making. We are into a very serious session of this House, Mr. Speaker, and these matters have to be debated and have to be straightened out. And, as I said during the Question Period this afternoon, the hon. gentleman may be well-intentioned and he may mean well, but the hon. gentleman just does not understand how the system works.

PREMIER PECKFORD: How does your leader do in Ottawa?

MR. NEARY: The hon. gentleman does not understand. It is unfortunate. I like the hon. gentleman as well as the next guy.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: But, Mr. Speaker, you cannot run this Province on good intentions. The hon. gentleman cannot have eyes in the back of his head.

PREMIER PECKFORD: How is your leader doing in Ottawa?

MR. NEARY: As a matter of fact, the Prime Minister should be congratulated. I am seriously thinking about sending the Prime Minister a telegram of congratulations for the comments he made.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: What your leader does in Ottawa I do here.

MR. NEARY: Mr. Speaker, the hon. gentleman will have ample opportunity to -

PREMIER PECKFORD: You cannot take it.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, I will tell you what the Prime Minister does. Now, Mr. Speaker, here is what the Prime Minister does. When the Prime Minister has a Minister of Finance who creates a financial mess, he moves him and puts somebody else in his place.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: That is what the Prime Minister of this country does.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, the bluffing is over. The people of this Province are beginning to see through the fact that the hon. the Premier gets up and, with the



MR. NEARY:

face of a robber's horse he says one thing and he does the opposite. He tells the people, 'Look, I am honest politically and intellectually and I want you to believe me, people of this Province,' when you can get a list the length of this House of Assembly of political appointments the hon. gentleman has approved in the last year. And approved, Mr. Speaker, right at a time when we were headed for a \$70 million deficit in this current account.

MR. WARREN: And knew about it.

MR. NEARY: And knew about it.

MR. WARREN: That is right.

MR. NEARY: And the hon. gentleman went on making the appointments. And now he is going to take it out on the hides of the welfare recipients, the sick, hospital workers and defenceless people in this Province.

Mr. Speaker, that is the kind of a Premier we have in this Province, well-intentioned, means well, but just does not have the grasp, does not understand how the system works, does not understand that he himself is not the end-all and be-all, that he is not God Almighty

PREMIER PECKFORD: That is not true. That is not true.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker, he has to lay down guidelines, if he is sincere, he has to lay down guidelines that have some teeth in them. He has to make his ministers and his senior officials answer to an independent tribunal. That is who they should answer to, not to the Premier. It should be an independent tribunal who decides whether the Government House Leader (Mr. Marshall), when he is representing the Bank of Montreal, the government's bankers, whether he is in conflict of interest or not. I mean, going to the Premier is like going and asking my brother if I am a liar. Can I do this, Sir? Yes, Sir.

MR. YOUNG: I know what he would say.

SOME HON. MEMBERS: Hear, hear!

MR. YOUNG: I was talking to him only  
the other day.

MR. NEARY: Mr. Speaker, the hon. gentleman  
from Harbour Grace (Mr. Young) is low class and about the  
lowest form of life in this House, about the lowest.

SOME HON. MEMBERS: Oh, oh.

MR. NEARY: And I am sure, Mr. Speaker,  
he is speaking for the government. Every time the hon.  
gentleman opens his mouth he is speaking for the  
administration. I hope the hon. gentleman is aware of  
that. And no wonder the Premier, when the Premier hears  
these kind of remarks, no wonder he gets a look of  
shock on his face.

MR. WARREN: That is right.

MR. NEARY: Low class. It is very low  
class stuff, Mr. Speaker. Is that the kind of minister  
that the Premier is taking his advice from? Maybe they  
should make him Minister of Finance. He might do  
just as good a job as the hon. gentleman who is in there  
now.

Mr. Speaker, when the hon.  
Premier hears that kind of low down, snake in the grass,  
low class remark from a low class individual who comes  
to the hon. the Premier and says, 'Can I appoint this  
one because I do not like the one that the Public  
Service recommended?'

MR. NEARY: does the Premier then say, "Yes, boy, yes, you may do that, Minister of Public Works?"

MR. YOUNG: You must know a lot about the snakes in the grass. You are always talking about them.

MR. WARREN: All we have to do is look across at you people.

MR. NEARY: Mr. Speaker, it is time now for the Premier to get these ministers to lift their sites, lift their sites a little bit. And, Mr. Speaker, as I started to say when I was so rudely interrupted by a low class, second-rate minister, that the Premier should not take these things upon himself and set himself up as the Godfather.

MR. WARREN: He will get old too quick. He will get old too quick, He will worry to death.

MR. NEARY: The Premier has enough on his plate now, worrying about the state of the economy, worrying about his abandonment and his neglect of the fisheries in this Province, worried about the financial mess that the Minister of Finance (Dr. J. Collins) has gotten us into, worried about whether we are going to be able to sell our bonds when we go the market again or will civil servants one of these days get brought up short when they go to the bank with their pay cheques and the bank will not cash their cheques. The Premier has to worry about these things, Mr. Speaker. The Premier has enough on his plate now without worrying about the silly Minister of Public Works (Mr. Young) coming into him with a little old political appointment and trying to sneak one of his buddies onto the taxpayers' payroll.

Mr. Speaker, will the Premier give the House an undertaking that all these political hacks and political appointees will be removed from the payroll, barred from the payroll, before he starts punishing the sick and the people on welfare, the widows and the orphans and the disabled

MR. NEARY: and the teachers and the nurses and the nursing assistants? Will the Premier give this House an undertaking that everyone of these high paid, expensive political hacks that were hired in the last two years will be the first to go? Because they are in made jobs anyway. The jobs are made for them. Before he starts chopping hospitals beds and closing hospitals and laying off hospital staff and asking hospital workers to give up two weeks out of a year to pay for the government's mismanagement and waste and extravagance and political appointments, will the hon. gentleman give that undertaking to the House? Will the hon. gentleman give the undertaking to the House that he will stop this silly nonsense of carrying out a federal campaign with propoganda going into all the homes of this Province almost every day, and expensive newspaper ads that should be paid for by the Tory Party in this Province, the same as the film that was done in Gander? Will the hon. gentleman give that undertaking to the House that the hon. gentleman is intellectually and politically honest as he says he is?

AN HON. MEMBER: We need a change of government.

MR. NEARY: Yes, we might get a change of government if the hon. gentleman does not do that. Will the hon. gentleman put Mount Scio House on the auction block and sell it?

MR. WARREN: Yes, yes. He said, yes.

MR. NEARY: Will he sell that before he starts ripping the guts out of the poor people of this Province? Will the hon. gentleman sell the government aircraft, auction that off?

PREMIER PECKFORD: You would pay more getting your patients in.

MR. NEARY: Oh, pay more to get the patients in! Mr. Speaker, the patients can be taken care of.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: What a cowardly way, Mr. Speaker, to weasel your way out of not having an auction down at Torbay Airport and selling the government aircraft. Mr. Speaker, if the hon. gentleman, Mr. Speaker, wants to show his sincerity, if he wants to be considered and portrayed as a man of integrity and honesty, both politically and intellectually, the hon. gentleman should be prepared to force his ministers and the senior officials of government to put their heads on the block.

Mr. Speaker, what about the Minister of Fisheries (Mr. Morgan) when he wanted to get into Cable television? Just listen to this, He came to the Premier and he said, "Mr. Premier, the CRTC are coming down holding hearings down at the Newfoundland Hotel, and for the next two week I do not want to be a minister, I want to be a television tycoon." And the Premier said, "That is fine, Jim. Go ahead,

MR. NEARY: boy." Down he goes to the hearings. Fortunately he did not get a licence.

MR. TOBIN: Why did he not get one?

MR. NEARY: He could have gotten one. He has not given up yet.

MR. TOBIN: Why?

MR. NEARY: The hon. gentleman has not given up.

MR. TOBIN: Why?

MR. NEARY: Well maybe if the hon. gentleman has such a warped, buttoned-down mind, maybe he can tell me why, because I do not know. I would assume the hon. gentleman just did not have it.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, you cannot have that kind of a government where a minister who makes a fool out of himself by uttering silly remarks or doing things that he should not be doing, you just cannot say, 'I am wearing a minister's hat today, but I am going to take it off tomorrow and I am going to be a television tycoon for the next couple of weeks.' You cannot do that, Mr. Speaker. That is not the way the system works. You would have chaos if you allowed ministers to do that. And that is what the Minister of Fisheries (Mr. Morgan) did. He took off his hat. He said, "I am on leave, I am not a minister any longer." Mr. Speaker, once you take your Oath of Office you are a minister until you are flung out of the Cabinet.

MR. WARREN: Twenty-four hours a day.

MR. NEARY: And not only that, you keep the secrets until you go to the grave. Twenty-four hours a day, seven days a week, you do not take off your minister's hat and say, 'I am no longer a minister.' But that is the kind of administration we have in this Province, Mr. Speaker, and that is not going to change by the Premier bringing in amendments to the Conflict Of Interest Act. That is not going to change. You cannot legislate, Mr. Speaker, good habits and morality. You cannot legislate that. You cannot come out and say, 'Look, people of Newfoundland, you have the most honest Premier and the most honest administration you ever had in your life.' And the people say, 'Mr. Premier, we accept your word on that, but what about one of your ministers representing the Bank of Montreal?' 'Oh, do not worry about it. He is honest.' No doubt the man is honest. I think he is an honest man. I happen to think he is honest. He is not dishonest therefore he must be honest. I am assuming that until some one proves otherwise to me. But, Mr. Speaker, what about the principle? The principle then goes down the drain and any minister can do the same thing. All you have to do is go to the Premier.

You would go to the Premier and say, 'Premier, I want to do this. Do you mind?' And the Premier says, 'Well as long as I know about it, boy, everything is okay. Go and do it.' Is that conflict of interest, Mr. Speaker, that is worthwhile? With that kind of conflict of interest legislation in this Province, does that protect the public treasury and protect the people, the taxpayers, against abuse of the system by ministers and senior civil servants?

November 8, 1982

Tape No. 2046

ah-2

MR. NEARY:

Mr. Speaker, I do not know if it is true or not but I have to say this. I should not say it but I am going to say it anyway. I will not mention any names but I am going to relate a situation to hon. gentlemen in this House that in my opinion is devastating, is a pretty serious matter indeed, a pretty serious matter indeed which involves a former civil servant. Well, not a civil servant; the gentleman was not a civil servant as such. Probably he worked for the administration on a contractual basis.

Mr. Speaker, in 1980 a gentleman became a spy for Quebec Hydro, a spy for Quebec Hydro, a paid spy.



MR. S. NEARY: He was hired by Quebec Hydro because of his connections with that administration and made the statement, 'I know every minister and I know every member on the government side, and I know every MP in Ottawa,' this gentleman says. 'And so therefore I had the information, I have access to reams and bundles of all kinds of information.' Now I do not know if that gentleman is still connected with the administration or not, but he was up to 1980.

MR. F. STAGG: It is a nice little story.

MR. NEARY: It is a nice little story and I have the documentation here to prove it but I will not put it out unless I have to. But, Mr. Speaker, the point that I am making is this; how many documents and how much information did that gentleman take from the records of this administration and pass on to Quebec Hydro in order to get his goodies, to get his little job that he has got?

MR. STAGG: Everything we have is open and aboveboard.

MR. NEARY: Everything you have is open and above board - for Quebec Hydro to have? Mr. Speaker, we cannot even get information in this House and yet, Mr. Speaker, they may have had somebody in their midst who was taking files and passing them on to Quebec Hydro. A spy, a paid spy.

MR. G. WARREN: And surprising the Premier was Minister of Energy before that time.

MR. NEARY: I beg your pardon?

MR. WARREN: The Premier was Minister of Energy before that time.

MR. NEARY: This gentleman was very close to the administration and very close to the Premier when he was Minister of Mines and Energy. And this gentleman did some propaganda for the Premier; propaganda, brochures especially in connection with the offshore and the Upper Churchill Falls

MR. S. NEARY: and the Devopment of the Lower Churchill and the five rivers that have their head waters in the Newfoundland part of Labrador. Mr. Speaker, would the amendments, the legislation that we are talking about stop that sort of thing from going on? Would it? And how much damage has been done?

MR. F. STAGG: Nothing can stop criminal behaviour.

MR. NEARY: Well, that is exactly what I said. Nothing can stop criminal behaviour, nothing can stop immorality. You cannot legislate.

MR. B. TULK: That is only show.

MR. NEARY: This is show. This is all meant for window dressing. This is show and window dressing, that is all it is. There are no teeth in this, it is all show. There is nothing there that says that a minister who breaks the law, after answering to an independent tribunal, not the Premier, that he will be put in jail. We have had ministers who broke the law.

MR. B. TULK: Are you talking about the criminal law?

MR. NEARY: Yes, I am talking about criminal law. We have had it happen in this Province and the Minister of Justice at the time suppressed the investigation.

Mr. Speaker, this legislation in its present form, these amendments will not do the job, in my opinion. Ministers should have to answer to an independent, The Auditor General, that is who ministers should have to answer to, the Auditor General. Why answer to the Premier? What is the Premier afraid of? Is he afraid that some of his ministers or senior officials are going to get themselves in a jam and he is going to forgive them, he will forgive them for it? Because that is why, Mr. Speaker,

MR. NEARY:

that is why it is not put in the hands of the Auditor General, they cannot control the Auditor General. They cannot dictate to the Auditor General, who is a servant of this House.

MR. WARREN:

That is a pretty good amendment.

MR. NEARY:

It is a good amendment but they would not accept it. Make the ministers and the senior officials responsible to the Auditor General and not the Godfather, the hon. the Premier. It leaves it too much in doubt, too much up in the air, and the believability and the credibility of this administration, God only knows, has suffered enough in the last month or so since the people were astounded one morning to find out that we have a \$70 million deficit in this Province and it was hidden from them, concealed from them, kept away from them for so long.

MR. STAGG:

Your concern is so touching!

MR. NEARY:

My concern is what?

MR. STAGG:

So touching.

MR. NEARY:

It is. It should be touching to the hon. gentleman. The hon. gentleman, being a lawyer, knows how the system works.

We would go for this legislation, Mr. Speaker, 100 per cent, the hon. gentleman would have no problem with this side of the House at all, we would put it through this afternoon, if the hon. the Premier would bring in an amendment to make ministers and public servants answer to the Auditor General instead of to the Premier. And if they do not do it, Mr. Speaker, it will just go to prove their insincerity. It will go to prove that they are again trying to con the Newfoundland people, they are trying to dupe the people of this Province as

MR. NEARY:

they did in the last election.

The last election was fought on a phony issue. The real issue in the last election was the finances of this Province. That was the real issue. We had a deficit, Mr. Speaker. This government had a deficit when we went into that election and they hid it and concealed it from the people. There is nothing as unforgiveable in politics as the big lie. Once you lie in political life, Mr. Speaker, as Your Honour knows from what he has read in the newspapers and what he has seen happen in this House and in the United States and in other parts of the world, once you lie you will never be believed again. And the government lied. The government lied about the financial mess this Province was in when they went to the polls on April 6th. Now, how can you stop that kind of intellectual and political dishonesty, Mr. Speaker, with this legislation? Now that the cat is out of the bag, why did the Premier not say to the Newfoundland people, 'I am sorry I duped you, conned you; I am sorry I did this for show and for political one-upmanship and to score a few Brownie points. I am sorry. I did that and I feel that I am not fit to

MR. NEARY:

carry on because I conned you, I have fooled you, I have bluffed you, I duped you, the same as I am doing with the offshore oil and gas. And I have no intention," he should say to the people, "I have no intention of settling the offshore matter, I have no intention of negotiating an agreement until after the next federal election." Why does the hon. gentleman not get up front and make that statement? Or is the hon. gentleman going to continue to be intellectually dishonest and politically dishonest? Not personally dishonest; I think the hon. gentleman is a man of integrity, personally he is an honest man, but he does not understand, Mr. Speaker, how the system works. He is well intentioned and I think I could say, Mr. Speaker, that I like the hon. gentleman as well as the next fellow. But as a Premier the hon. the gentleman is a disaster. He is continuously wrong, wrong, wrong! He is wrong all the time. And we are beginning to wonder if he is ever going to be right. He has been wrong on this issue, he was wrong on the Day of Mourning. You talk about a down turn in the economy and a loss of revenue, how much revenue did the public treasury lose as a result of the Day of Mourning? That item alone is enough to make anybody who is intellectually and politically honest resign. That mistake alone in any other part of the free world where the British Parliamentary system is practiced, that blunder alone, whether you have a large majority over in where my hon. friend from Exploits (Dr. Twomey) comes from, the newspapers in Great Britain would shame any minister or any prime minister into resigning if he made that kind of a blunder. You would not be allowed to

MR. NEARY: live it down. You would not, Mr. Speaker, be able to live it down. The hon. gentleman knows that. The Day of Mourning, how much did it cost the public treasury in revenue? We are told that it cost business and industry between \$70 million and \$80 million. It was a mistake and a colossal blunder, that is what it was.

MR. BAIRD: Not as big a mistake as the people in Port aux Basques made.

MR. NEARY: The hon. gentleman should not put himself in the same category as the Minister of Public Works (Mr. Young), Mr. Speaker. The hon. gentleman should lift his sights, raise his sights. Everything is not politics. Everything is not extreme. There are some sincere members in this House who would like to see a job done. If I were the hon. gentleman I would lift my sights a little bit, I would not stay down in the gutter.

MR. BAIRD: I want to be able to talk to you.

MR. WARREN: He should come up.

MR. NEARY: That is right. The hon. gentleman should come up. The hon. gentleman should come up, come up to the level of what is expected of a member who sits in this House.

Mr. Speaker, that one blunder, that one blunder alone would have been enough to bring down a government, to force a minister or a Premier to resign in any other part of the world but poor old Newfoundland. Well meaning, again, well intentioned, but just not understanding. Going off the cuff, acting irrationally and emotionally and making a mistake, making a blunder, making another error.

Mr. Speaker, the Premier of this Province so far has a track record of failures that is unequalled in the history of this Province, a track record of being wrong. And, as I say, I am not saying that because

MR. NEARY: I like to say it. I regret to have to say it because I like the hon. gentleman as well as the next Newfoundlander or Labradorian. But the hon. gentleman just cannot grasp the job. He does not understand it. He just does not understand what it is he has to do. He does not understand what you have to do to govern this Province. He thinks that everything is centered around him; everything is personal with him, everything is extreme with him. That is not the way it works, Mr. Speaker. Ministers and senior officials who come under this Act, the conflict of interest legislation, should be made answerable to the Auditor General and not to the Premier. The Premier is political and all his decisions will be based on straight politics.

Mr. Speaker, the Auditor General is a servant of this House who answers only to this House. Not to the Premier, not to the Minister of Justice (Mr. Ottenheimer), not to the Opposition, not to the Sergeant at Arms or Your Honour, the Speaker; the Auditor General answers to this House.

MR. NEARY: And it is the Auditor General who should be given the authority to decide when a minister or a senior official is in conflict of interest - the Auditor General and not the Premier. Mr. Speaker, unfortunately the believability and the credibility of this administration has been severely damaged as a result of the announcement of this deficit and, Mr. Speaker, also as a result of a statement that the Premier made public recently about when the development of offshore oil will take place. The hon. gentleman had been leading the people of this Province to believe that offshore development was imminent, that we were all going to be oil sheiks overnight. The hon. gentleman led the people to believe, especially in the last election, that they should have oil on their brains and nothing else because both our present and future is in oil. And then a couple of weeks ago he made the announcement that it will be another seven or eight years. 'It will be seven or eight years,' he said, 'Before we see the development of offshore oil and gas.' That seven or eight year period, I would submit, Mr. Speaker, is fifteen or twenty not seven or eight. If the Premier admits seven or eight then you can mark it down it is double that, Mr. Speaker, double it. That was the shocker that Newfoundlanders got, especially those businessmen who had invested in offshore companies, those businessmen who were led to believe by this Premier that oil development was imminent and that everybody was going to make their fortunes overnight, that everybody was going to become a millionaire, Mr. Speaker.

MR. LUSH: I agree with you.

MR. NEARY: Now they discover, much to their dismay, that offshore oil development is at least seven years, if not fifteen or twenty years, away, Mr. Speaker. How many bankruptcies will we have by then? How much out-migration will we have by then? And, Mr. Speaker, while all of this



MR. NEARY: is going on, while the Premier is running his big bluff, he is fighting the federal campaign on the backs of the people of this Province. He will not get down and govern Newfoundland like it should be governed. He will not admit he was wrong. That is the trouble, that is the big weakness with the Premier - a nice fellow, hail fellow well met, can imitate Newfoundlanders and make people laugh, make fun of Newfoundlanders, but, Mr. Speaker, he cannot admit he is wrong. He likes to exaggerate, he likes to bluff, he likes to hold himself up as the great white father.

MR. NEARY: He likes to introduce all kinds of rhetoric in this House that is riddled with politics. He likes to put on things for a show. Mr. Speaker, there is more to governing this Province than just playing little political games, and I would submit that this legislation is not going to cure that. You cannot legislate morality, you cannot legislate honesty.

This legislation will not stop the ministers from making their political appointments they have been making in the last couple of years. If the Premier is sincere he should fire all these party hacks that were taken on the payroll before he starts cutting hospital beds, laying off staff and asking people to sacrifice a couple of days a month to go towards the deficit that was created, self-inflicted by this government through their mismanagement and abuse and waste. You cannot legislate that kind of thing Mr. Speaker. The only thing you can do to safeguard the people of this Province is to do the best you can, and the best, I would suggest and I would settle for nothing less, the best is to put these matters in the hands of the Auditor General, who is completely independent of any political party, and let him decide. And if the Auditor General in his wisdom decides that a minister is in a conflict of interest, or a senior official is in a conflict of interest situation, then, Mr. Speaker, nothing less than imprisonment should be imposed on that minister or senior civil servant.

MR. SPEAKER (McNicholas): The hon. member for Terra Nova.

MR. LUSH: Mr. Speaker, I want to say a few words about this particular piece of legislation.

November 8, 1982

Tape No. 2052

ah-2

MR.LUSH:

I am not sure that I can say anything new or add anything to what the Leader of the Opposition has just said, but I certainly want to register my own views on this particular piece of legislation, a piece of legislation that I, if I were a minister or were to become a minister, would find most offensive, distasteful and abhorrent to every instinct in my body.

MR. BAIRD: 'Tom', you do not have to worry about becoming a minister.

MR. LUSH: Possibly not.

But there is one thing for sure, if we ever get over there I will be one. There is no question about that, none in the world. But, Mr. Speaker, if I were to become a minister with these regulations thrown at me, I do not know but I would not accept. This is the kind of behaviour that is expected from responsible people. It is the kind of behaviour, the kind of conduct that goes with any kind of responsible job without having them written out and reporting to somebody. I really do not understand the Premier setting himself up into this position to make himself the great judge and the great ruler of what good conduct such be.

It reminds me, Mr. Speaker, of the kind of the thing that I used to do when I was a young, abrasive, principal, twenty years old in charge of one of the largest schools in this Province. It reminds me of the kind of thing that I would do to my , at that time, rather unqualified staff that we had back in those days, the kinds of the things that I would do, telling people not to use too much paper, and not to use too much chalk, not to carry away the typewriters. You know, Mr. Speaker, you do not have to tell responsible people not to go away with the Gestetner and not to carry away typewriters. That is the kind of thing that people who have been in responsible positions know. They know we do not carry away the office furniture, they know that we do not use it for private parties and this sort of thing. So it is not what is written there, but, Mr. Speaker, the fact that it had to be written, the fact that the Premier saw fit to write those things that we take to be the obvious, common sense kind of thing that responsible people

MR. LUSH: do, To have this written, to have this dashed in front of a person, to say that before you can become minister you must kneel and take this oath and subscribe to these principles and report to me in the event that you plan to do something that you might think might be a little irregular, to me, Mr. Speaker, is a lot of nonsense, it is something that should be unnecessary.

I would like to know, and I am going to look into it to see whether or not this indeed is done in other jurisdictions throughout Canada.

However, I see nothing, as I have said, offensive about the regulations that are there or the conduct that is expected. It is the natural thing to expect of any person who is working in any kind of a responsible position,

MR. LUSH: it is the kind of natural behaviour, the kind of spontaneous thing that you expect from responsible people. But to have to write it out, to spell it out and then to expect one man to be the man responsible for carrying out all of this kind of moralistic nonsense, Mr. Speaker, because that is all it is, I think I would have to agree with the Leader of the Opposition when he says it is just a bit of window dressing, just something to try to impress the public that, you know, 'We are carrying on an honest government, we are people of integrity, and to demonstrate to the people of this Province that there is no mismanagement, there is nothing that is irregular, we are going to make this set of regulations.' Mr. Speaker, as I say, I find it offensive, I find it absolutely abhorrent and I am not sure that I would submit myself to the authority of any one man. I could not see myself, Mr. Speaker, I could not see myself - we have a lot of good people on this side of the House, we have had a lot of good people - I could not see myself getting on my knees to anybody on this side of the House that would be Premier of our Province. I could not see myself doing it - not to the Leader of the Opposition, not to the hon. the member for the Strait of Belle Isle (Mr. Roberts). I could not see myself bowing down to such an extent, to come in, 'Yes, Sir, I will do all of this,' you know, 'I will report to you.' Because I believe myself to be a person of integrity and I would not want to put myself into that kind of position. I am surprised that hon. gentlemen opposite could put themselves into that kind of position. I am surprised, I find it incredible that they could agree to this sort of utter nonsense. Mr. Speaker, it will do nothing to prevent dishonesty or anything any other minister might be tempted to do. I am sure that that happens from time to

MR. LUSH: time, but this kind of thing will not stop it. Mr. Speaker, it is just a lot of nonsense, a lot of window dressing, just something to try to impress the public of this Province, to impress the people of this Province, that the Premier is certainly concerned, and the government are concerned about honesty and integrity and this is the kind of document that they have come up with.

Mr. Speaker, it becomes ridiculous altogether as one reads the different clauses and the different items of conduct to which the article addresses itself. Mr. Speaker, there are a lot of loopholes

MR. LUSH:

in it. I expect there are many members opposite who have not read this document yet. They have not read it, but Mr. Speaker, they should, because as you read it you see how utterly foolish the whole thing is. And I wanted to direct hon. members attention to a few of the items which are here. And I wondered, Mr. Speaker, whether or not this piece of legislation is retroactive. Because if it is I can see a lot of problems if this piece of legislation is retroactive.

But, Mr. Speaker, it goes on to talk about ministers and their children and their relatives. My goodness, you know, I would find this offensive if I thought that my becoming a part of the Cabinet would discriminate against my relatives, my children. What a lot of nonsense! If my relatives and my children can get into the various offices of government through their own competence, what is wrong with that, Mr. Speaker? What is wrong with that? I am never one to look over to the other side to see if the Minister of Fisheries (Mr. Morgan) has a relative working within the Department of Fisheries, what is wrong with that if he is a competent person? What is wrong with a relative working in that large Department of Fisheries if the person is competent? What is wrong with a relative working in the Department of Health, in that large department? And I would venture to say that the Minister of Health (Mr. House) would be an unusual Newfoundlander if in all the relatives he has got, he does not have one working in the Department of Health. He would be an unusual man. With the kind of proliferation that we Newfoundlanders are known for, it would be unusual right throughout this Province that he did not have a relative working somewhere in the Department of Health. And what is wrong with that, Mr. Speaker? What is wrong with that? What is wrong with that if



MR. LUSH:

that person is competent?

Nothing wrong with it at all. And the minister having to remove himself, having to remove himself from any commission that would have to employ a relative, what nonsense to assume that you cannot raise yourself from that prejudice, from that bias of recognizing quality. What nonsense! It is the most ridiculous thing I have ever seen passed in the House or come through this House. Ridiculous!

Mr. Speaker, in the Department of  
Public Works,

MR. LUSH:

I would be surprised if the minister did not have a relative in that large department, I would be surprised if he did not have a relative. How far do relatives go, Mr. Speaker? What do they mean? Is it a brother or a sister? Is it a first cousin, is it a third cousin, is it a fourth cousin? Is it a great uncle? What is it? It does not say whether it is immediate relatives, it does not say whether it is brother, sister, cousin. You know, this could become one of the most monstrous pieces of legislation ever passed in this House. And I am surprised that hon. members and ministers certainly agree to having this kind of nonsense come before the House. But, Mr. Speaker, I know why it was done, it was done for the purpose of giving the impression that we are really concerned, that we are going to run an honest government, a government of integrity and this is what we are going to do. And then the Premier makes himself the arbitrator of the whole bit. The Premier is going to become the judge of what is good conduct and what is bad conduct of all his ministers. We are going to have all of this, Mr. Speaker, all of these departments and all of the consequences which could result from this - the connection of relatives and relatives of relatives. I am surprised he did not put in friends, Mr. Speaker, which would have really made it something.

But, Mr. Speaker, I am just wondering, and I am going to check it out because this came rather suddenly, I am just going to check it out and see if there is anything -

PREMIER PECKFORD: That did not come suddenly. That was on the Order Paper last year.

MR. LUSH: I knew the generalities of the thing but not the specifics of it. So, Mr. Speaker, I am going to -

MR. TOBIN: Are you against it?

MR. LUSH: Against it? Yes. Not against the principle of what Cabinet Ministers are supposed to be doing because, as I have said, it is just normal, common, decent behavior that all people exercise when they take any kind of responsible job. But it is not the kind of thing we legislate, it is not the kind of rules that you write down. It is just not the kind of thing you do. I would find it offensive, as I have said, I would find it abhorrent that I would have to come into a job of employment with that thrown in my face, 'These are the kinds of things we expect of you.' It is like telling a teacher, Mr. Speaker, that she is supposed to be in school at 8:30 in the morning, you know. What a lot of nonsense. If I had to tell a teacher to be in school at 8:30 in the morning I would dismiss him or her.

MR. HOUSE: You cannot do that any more. It is illegal.

MR. LUSH: Mr. Speaker, I would not write it down. You do not

MR. T. LUSH: write that nonsense down and this is the same kind of thing, Mr. Speaker. But that is the kind of nonsense we get into. You just do not legislate this thing. If a person does not have the capabilities of being a minister, if he does not have the integrity or the honesty to be a minister, this is not going to do it, it is completely unnecessary. And as I have said, if I were a member sitting on the other side I would find it absolutely distasteful, abhorrent and all of the other adjectives that I could possibly think of. But I cannot think of enough adjectives, Mr. Speaker, to say how I felt about this. But that is not to say I do not agree, naturally, with what is there. But it is the obvious, Mr. Speaker. As I read it down through I just assumed that it was what a minister was supposed to do anyway. Everything I read, I thought that was what a minister was supposed to do. And why this nonsense all of a sudden of writing it down, and now if we digress or deviate from that you have to go and see the Premier? But, Mr. Speaker, as one reads it one of the things again that I would find offensive is the regulation which says if there is a relative to be promoted or appointed to get a job within the public service, and if it is within the minister's department, he has to remove himself from that commission. Now, number one, I always thought that a person getting a job through the civil service was interviewed very thoroughly by the public service, that his name was sent to the minister, there were three names sent, one two, three - am I right or am I wrong? Through the general routine of getting a job in the civil service a person applied, the civil service went through the applications and they selected the top ten or twelve and interviewed those people and interviewed them thoroughly and then, of course, they submitted the top three people to the minister, one, two, three,

MR. T. LUSH: in that order, I thought. So the minister, I suppose, if he did the right thing, would select number one. But obviously there is some fear here that this might not be the way it is done. But, Mr. Speaker, I would like to thing that if I were a minister and one, two, three, came to me, and there was a relative there, that I could make the judgement on the basis of the information that was given to me. I would not want someone to tell me not to hire my brother or not to hire my first cousin or not to hire my third cousin. How far do we go down the list with relatives? Is that defined anywhere, Mr. Premier? With relatives, are they immediate relatives or do they go to first cousins, second cousins, third cousins?

MR. G. TOBIN: Fifteenth cousins.

MR. LUSH: Pardon?

MR. TOBIN: Fifteenth cousins.

MR. LUSH: You know, this is something, certainly, that has to be defined.

MR. LUSH: Anyway, I think it is a lot of nonsense. The Leader of the Opposition (Mr. Neary) says that he would agree with it if the Auditor General were the person who had to make the decisions. I am not sure that I would even go that far. I am not sure that I would allow any one man to make those decisions, to have to rule arbitrarily over me in those respects. I am not sure that I would allow any one man, no earthly man. There is one man that I can think of, but he is not amongst us.

MR. PATTERSON: I beg your pardon!

MR. LUSH: Well, let us say in presence, in the -

MR. HOUSE: In the physical sense.

MR. LUSH: Right. So, Mr. Speaker, there is not one earthly man that I would subject myself to with respect to these kinds of regulations. And I certainly would not want to be the man who was going to be the arbitrator, the man who was going to be the judge of all of those things, that I can assure you. I certainly would not want to be that man.

Mr. Speaker, as I have said, the rules themselves, everyone of them, are ones that I have always assumed were the rules and were the measures and were the things that a minister had to do, every one of them. I do not see anything new there. I do not know if there is anything that was not a part of what one assumed to be the good conduct of a minister or anybody in the public service of any responsibility. So, Mr. Speaker, I am just trying to find if there is one. I read them all through and I do not think there is anything there that struck me by surprise, that we are expecting a new code of behaviour, that this is a new code of ethics, that this is something altogether new. Everything is pretty much motherhood stuff, everything is the kind of behaviour, the kind of responsibility that any man,

MR. LUSH: or any woman taking any kind  
of a responsible position would expect would be his -

MR. HOUSE: Tell us about your trip.

MR. LUSH: Well, I could tell the hon.  
member about my trip. It was a very enjoyable one. I  
wish I could get into that sometime, because I heard the  
Premier commenting on something this morning that the  
Prime Minister was supposed to have said that the Prime  
Minister did not say at all. I was there, Mr. Speaker,  
and know what question was raised.

MR. HOUSE: You were not very interested,  
or you went for a smoke. You must have gone out for a  
cigarette.

MR. LUSH: No, I was there

MR. LUSH: the whole time. And if hon. members would like to know what the question was, I can tell them. It is not related to this, Mr. Speaker, but if hon. members insist they want to know about my trip - as a matter of fact, we met the hon. the Speaker there, he was leaving just as I was coming.

So, Mr. Speaker, it does put a tremendous amount of responsibility on the Premier now to see, of course, that all of these regulations are carried through, but it also, I think, Mr. Speaker, puts ministers in an unnecessary position when one has to - what shall I say? It rules out, almost, the possibility of his children, his friends, his spouse, anybody, practically, from getting into the Public Service, which is a lot of nonsense, Mr. Speaker. We get into the Public Service, one assumes, through competence and through efficiency; and if a person is competent, it does not matter whether he is the Premier's brother or whether it is the Premier's father. It does not matter when that person is competent, and that person should be given a job. Now, if we get into political appointments, there are places for these, Mr. Speaker, and these come at other places. I do not think political appointments get into any of the important jobs in the public service. I do not think that happens very often, there are usually places for them. You do not need competence for them, all you need for them is to be of a certain political stripe; competence has nothing to do with it. But in the pure competitive sense, Mr. Speaker, in the pure competitive sense throughout the Public Service when a person gets a job through his own merit, when a person gets a job through his own qualifications, it should not matter whether his mother or his father is a Cabinet minister, it has nothing to do with it -

MR. TULK: Right. Right.



MR. LUSH:

- nothing to do with it at all.

A person should not be discriminated against in any department of government because his father is a Cabinet minister or his mother is a Cabinet minister or vice versa. No Cabinet minister should hinder the chances of any of his children or relatives from getting a job in the Public Service. What is the Minister of Health going to do if he has a daughter who is going to be a doctor? What is going to happen when she applies for some job? The minister has to remove himself, of course, from the Commission, it says, you know. I do not think the ministers knew what they were getting into when they did this; they thought they would do a little bit of window dressing, put up something that would impress the people of Newfoundland and say 'Never again will there be any indication of wrongdoing in the government of this Province, never again will there be anything close to dishonesty because now we are going to bring out the regulations, we are going to establish proper

MR. LUSH: conduct, and we are going to see that this is done'. So this is the impression that they are trying to give to the people of Newfoundland. But, of course, the people of Newfoundland know, have known for a long time, that you cannot legislate morality, that you cannot legislate good behaviour. You cannot do that anywhere, and you cannot do it in Cabinet, you cannot do it in government any more than you can do it in any other walk of life.

Mr. Speaker, I just wonder what kind of research work is going to be done on this. For example, number eight, is an interesting one, number eight of the regulations - the guidelines, I think, is what they are called. 'The major provisions of these guidelines and regulations are as follows,' Number eight says, "Ministers will be required to declare their active association with any private interest groups or voluntary agencies." Now, number one -

MR. CALLAN: Voluntary?

MR. LUSH: - voluntary agencies. You know, I do not see the sense of this, of ministers declaring their active association with any private interest groups or voluntary agencies. Why would a person have to declare their interest with a voluntary agency?

MR. PECKFORD: The agency might be making application for something from the government.

MR. LUSH: Golly, if a person is a member of a voluntary agency and they make an application to a government, again what are we going to do? Discriminate against such groups for making an application because a minister is associated with them?

MR. MORGAN: No, to make sure there will be no discrimination.

MR. CALLAN:

Oh, yes.

MR. LUSH:

There would be no discrimination?

Not discrimination, that is not the word we are looking for certainly, that there be no favouritism. And if, certainly, the minister were associated with them there would be no discrimination, favouritism has to be the word. But again, I mean, that is to indicate that a minister has got to be a clown, has to be the scum of the earth when we have to include that kind of thing. No principle.

PREMIER PECKFORD:

You would be the first one to attack the government if something happened which you could allege, even though it might not be true, about association of a minister with some organization. First you would get up in the House of Assembly and decry some wrongdoing on some supposed connection between the minister and that group. So you would have an opportunity to attack the government because we did not do anything, and say why we did not. Now that we are doing it you are saying that we are being too particular, we are being too overimposing on it. So either way we lose.

MR. LUSH:

The Premier ought to be the first to know that

MR.LUSH: Of all the hon. members in the House I am the very last to do that kind of thing, because I believe in the integrity and the honesty of people.

MR.PECKFORD: There are other people in the Opposition I am afraid.

SOME HON.MEMBERS: Oh, oh!

MR.SPEAKER (Russell): Order, please!

MR.LUSH: But, Mr. Speaker, I just think the extensiveness and the detail of this code of behaviour has to be absolutely ridiculous. And then it goes on to say, 'Additionally, ministers will be required' -

MR.SPEAKER: Order, please! I would just like to remind the hon. member he has five minutes left.

MR.LUSH: Five Minutes. Golly. Well I have to speak a little slow on this topic, Mr. Speaker. I want to make sure everything sinks in. It says, "Additionally ministers will be required to disqualify themselves from participating in any government decisions concerning these groups or agencies."

MR.TULK: Pure paranoia.

MR.LUSH: Now is not this something, that we have to declare our active association with them and with private interest groups or voluntary agencies? "Additionally ministers will be required to disqualify themselves from participating in any government decisions concerning these groups or agencies." So this means if you are a member of a hockey association, if you are a member of the Lions Club, and going on down the list, we have to go to the Premier and say, 'Sir, now I am a member of the Lions Club, I am a member of the Church Fellowship Club, I am a member of the Kinsmen and I am a member of this and I am a member of that! And then if some of these groups come in to see the minister, well, then he

MR. LUSH: cannot participate in any decisions. My golly, you know, it is really something. And then public employees have to do the same thing, they have got to disclose their involvement in voluntary agencies. So, Mr. Speaker, it is quite extensive. It certainly restricts people, ministers and employees. But, as I have said before, it is the kind of common, decent behaviour that one would expect, and by making those regulations one is not going to improve the situation, one is not going to do away with the kind of thing that the Premier is - what shall I say? -

MR. LUSH: impress upon the people of this Province that he is trying to achieve, because this is what it is.

But number nine, Mr. Speaker, I do know know if this ever went on. I suppose it must have, it must have. I do not know if it ever went on in the Premier's government or not, but number nine says, "Ministers will not be permitted to accept gifts, favours or services -

MR. TULK: No more fishing permits.

MR. LUSH: - from any person who has dealings with government except for the exchange of normal hospitality between persons doing business together and the exchange of gifts and tokens as a part of protocol or at public functions."

Now, Mr. Speaker, this is made official. I always thought, again, that that was a sort of an unwritten law, an unwritten code of ethics, an unwritten code of behaviour, that a minister was not supposed to accept the gift. I always thought that was the case, but here it is written down now that it cannot be done anymore, that it is not legal in this Province anymore, that it is not legal now to accept gifts, rabbits and -

MR. TULK: Moose, fish, salmon.

MR. LUSH: - moose and whatever -

MR. TULK: Some people love their salmon.

MR. LUSH: All of those things that come to ministers as a part of their friends they have established through -

MR. TULK: No more Christmas liquor either.

MR. LUSH: No more Christmas liquor, that is right. But anyway, I suppose we could call that normal hospitality.

MR. TULK: No, no, not anymore, not normal over there.

MR. LUSH: So this is now written down. But I am sure there was not a person in Newfoundland, Mr. Speaker, but thought, there was not a person in Newfoundland, not a person from elementary school all the way up through, but knew that was the situation when you became a Cabinet Minister, that you did not go out accepting gifts from those people whom you dealt with directly, from contractors and the like. There is not a kindergarten student in Newfoundland but knows that. But now, Mr. Speaker, you have got to -

MR. TULK: I would say there is going to be some sneaking around in another month's time.

MR. LUSH: - but now you have got to take the vow, now you have to take the vow, now you have to take the oath that, you know, "I swear that I will not do this," Mr. Speaker.

MR. TULK: There will be some funny things going on over there in another month.

MR. LUSH: So, Mr. Speaker, when one reads these regulations one, I think, finds out, discovers how, distasteful they must be to hon. men, to men of integrity.

The Minister of Finance (Dr. J. Collins) certainly must have found these regulations distasteful when he read them, a man who all his life was in a responsible position, a man who all his life, I suppose, never once was told by any employer that that is the kind of behaviour we expect from you. The Minister of Finance must find this distasteful. He must find these regulations distasteful, that they have to be written down and that the arbitrator, the judge

MR. LUSH: of all of these rules, of this code of ethics of this conduct is now under the chairmanship, or under - what shall I say? - the administration of the Premier. Now it is the Premier who tells a fellow what is right and what is wrong.

MR. SPEAKER (Russell): Order, please!  
I would like to inform the hon. member that his time has expired.

MR. LUSH: Thank you, Mr. Speaker. I was get getting into the essence of what I had to say, but realizing the time is up, Mr. Speaker, I just want to register my personal feelings about this legislation, this Conflict of Interest Act. And again I want to clarify it by saying that the principles, naturally, the kind of things that the Premier, the kind of behavior that the Premier is trying to promote here is certainly the kind of thing that we all agree with, I just disagree with the procedure of trying to legislate this kind of thing, which I do not think can be done.

Thank you very much, Mr. Speaker.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, I had not intended to speak on this this afternoon. However, I want to make, briefly, two observations about this piece of proposed legislation.

First of all, Mr. Speaker, I believe it is a smoke screen, that the Premier is trying to direct the attention of Newfoundlanders away from the fact that he has bungled the budget and bungled practically everything that he has touched.

MR. BARRETT: It is only somebody like you (inaudible).

MR. CALLAN: You are a Secretary now, \$32,000, I believe.

MR. BARRETT: You are the sort of (inaudible).



MR. CALLAN: So that is what it is, Mr. Speaker, a smoke screen to direct the attention of the people out there, the people on UIC benefits, some 35 per cent of the population of this Province, 35 per cent of the people living on welfare from Ottawa, besides the other thousands who are, of course, trusting to the welfare of the Department of Social Services of this Province, 50 per cent, again, of which comes from Ottawa.

So that is what it is, Mr. Speaker, a smoke screen so that the people's attentions will be directed away from the terrible mess that this Province is in as a result of an election that was called last Spring about a budget. And when asked about the budget on

MR. CALLAN: several occasions the Premier completely side-stepped it. On the Open Line programme in Corner Brook, the Premier answered a caller by saying, and 'Well, perhaps you will have to ask somebody else,' completely side-stepped it. But now, of course, Mr. Speaker, now nearly eight months after polling day, April 6th, nearly eight months later the people of this Province know that they have been conned and I am sure that they will not be conned by this smoke screen that has been introduced into the Legislature here today. That is just my first observation, Mr. Speaker.

MR. WARREN: That is right.

MR. BARRETT: That was not very good.

MR. WARREN: You are a secretary now.

MR. CALLAN: It would be better than yours.

MR. WARREN: Yes, he is a secretary now, boys!

MR. CALLAN: The Crosbies had to close their doors because of your mismanagement. You are a director of that company.

The other observation I want to make, Mr. Speaker, is that here is an example of again closing the barn door after the horse has gone. Because everybody in this Province, Mr. Speaker, is fully aware that if the Premier were really sincere about bringing in conflict of interest legislation, then he would not have waited until now. He talked about it three years ago and he introduced it last year on May 14th, that is a year and a half ago. A year and a half ago, the Premier presented to this hon. House draft copies of the Conflict of Interest Guidelines for Ministers, and here, a year and a half later, the Premier is reviving it again, the Premier is turning the sod once again in the same way that he turned the sod for the Clarenville hospital that had been turned previously

MR. W. CALLAN: back in 1976. The Premier was down a month ago in Clarendville turning the sod after \$440,000 had been spent after the sod was turned in 1976, and subsequently \$444,000 was wasted and spent on the Clarendville Hospital, the Premier goes down a month or more ago and officially turns the sod.

MR. G. WARREN: But it is the same sod.

MR. CALLAN: Well, here it is. Here is the sod turned a year and a half later, a year and a half after the Premier brought it into this House -

MR. WARREN: After an election.

MR. CALLAN: - now then we have it revived again, the sod is being turned again today. Closing the barn door, Mr. Speaker, after the horse has gone. If the Premier, Mr. Speaker, was sincere in caring about conflict of interests among the ministers of his Cabinet, then why is it that the Premier is putting all the power in his own hands? Why is not the power put in the hands of other unbiased people? But no, the Premier puts it all in his own hands. Why did the Premier not ask for the Minister of Fisheries' (Mr. J. Morgan) resignation when a bipartisan group, the members of the Public Accounts Committee, the majority of them government members, recommended that in view of their findings the Premier has no other choice but to ask for the resignation of the Minister of Fisheries. But, no. What the Premier is doing here today is saying, 'Well, what is past is past but if something like this happens in the future, of course, you know, the legislation is there to cover it.' A smokescreen, a coverup and, of course, too little too late, closing the door after the horse has gone. Mr. Speaker, what the Public Accounts Committee members brought to light regarding the Minister of

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MR. W. CALLAN: Fisheries (Mr. J. MORGAN) is not even the tip of the iceberg compared to what is rumoured about that same Minister of Fisheries, not only in that portfolio but in other portfolios as well. And, Mr. Speaker, when I am condemning the Minister of Fisheries, I am condemning him not in a personal way; I am talking about his role and the way that he carries out the duties as Minister of Fisheries or Transportation or whatever. Every now and then as I am driving to St. John's I catch some of the open line programmes. And,

MR. CALLAN:

And, of course, you have these people phoning in, a lot of Tories from St. John's, no doubt people who have been directed to do so by the member for St. John's West (Mr. Barrett), and you have a lot of Tories phoning in. But then you have somebody who talks about the fact that they do not like the way that the Leader of the Opposition (Mr. Neary) is criticizing the Premier. They are not criticizing the Premier and they make it sound as though, you know, the Leader of the Opposition is doing it on a personal basis.

MR. BARRETT: Hear, hear! Hear, hear!

MR. CALLAN: The fact of the matter is that he is talking about the role of the Premier -

MR. BARRETT: How would he know his role?

MR. CALLAN: - and how he is living in a \$500,000 home when no other Premier across Canada is allowed to live in a \$500,000 home. And the Premier who has two cars when no other Premier before him had two. And what pretense did the Premier use and how did he fool Newfoundlanders into believing that he only has one? He said, 'The big car we do not need it. The big car that Mr. Moores used, and others, we do not need it. I am getting a small car'. But the fact of the matter is, Mr. Speaker, that the Premier has the big car and he has the little car as well. So he has two cars. He has two cars.

MR. BAIRD: A very intelligent debate!

MR. CALLAN: Thank you. Thank you.

So, Mr. Speaker, the Premier has two cars and a \$500,000 home.

MR. BAIRD:

Who is your speech writer?

MR. CALLAN:

But, Mr. Speaker, I did not write a speech obviously. I was not even planning on getting up. If the member for Torngat Mountains (Mr. Warren) had not gone out for a minute I would not have gotten up at all. I just got up to fill in while he was getting back into the Legislature.

But I wanted to make these couple of observations. And, Mr. Speaker, this of course, this piece of legislation here will do nothing at all to improve what the Minister of Transportation (Mr. Dawe), for example, has been doing and the Minister of Fisheries (Mr. Morgan) and all the other ministers, pork barrelling their own districts with roads and fishing facilities. Two years ago there were four fishing stages or community stages built in this Province by the provincial Department of Fisheries and all four of them went into the Minister of Fisheries own district. There were only four built that year, only four and all four went into the Minister of Fisheries own district.

So, I say to the backbenchers on the government side, I say what I said last Spring, you know, when you are looking for something for your district you keep your eye on the Minister of Fisheries because he is going to have his share and then your share and the other fellow's share and he is going to porkbarrel his own district. No legislation or conflict of interest is going to

MR. CALLAN:

stop that sort of thing, so, Mr. Speaker, the kind of thing that the member for Terra Nova (Mr. Lush) who went into a fair amount of detail and, of course, the Leader of the Opposition, the kind of things that we see covered here are not those kind of things. Mr. Speaker, I was amazed to hear the federal member for St. John's West, Mr. John Crosbie, on today talking about how some money came from Ottawa and it was spent in Liberal districts. And I am sure that every member in this legislature is aware that Ottawa is the only place, when you compare it with the government of this Province, Ottawa is the only place where there is any sign of democracy at all. John Crosbie knows that if there is \$5 million allocated for Canada community development projects he has the choice to say, 'I will put that in St. Bride's and not in Arnold's Cove' or 'I will put it on Water Street rather than in the town of Come By Chance.' He has that power. But what power do we have as Opposition members? John Crosbie is an Opposition member in Ottawa. What power do we have, what choice do we have over what we can do for our districts in this Province? None whatsoever.

MR. TOBIN: If you are good you can and if you are not you get nothing.

MR. CALLAN: Now there is a copout and a silly statement.

MR. TULK: What else do you expect from him?

MR. CALLAN: Good at doing what? Brown nosing.

MR. TOBIN: Representing your district.

MR. CALLAN: Poor, silly man.

MR. WARREN: When you get elected three times you will be alright too, buddy.

MR. CALLAN: Poor, old coattail man.

Mr. Speaker, I did not intend to get up at all, as I said, and I conclude on these two remarks, that it is too little too late, the horse has gone and now the door is going to be shut. And, of course, it is a smoke screen to direct the attention of poor Newfoundlanders away from the real issues and the Premier is a master at it. He has been doing it for three years and unfortunately he has been conning about thirty-five per cent of the population for three years. But even that thirty-five per cent I think are finally beginning to see the light, finally beginning to see the light.

MR. BARRETT: Do you want to go through another election now?

MR. WARREN: We would love to.

MR. BARRETT: You would not like to reduce the Opposition some more, would you?

MR. CALLAN: St. John's West was not always Tory, you know.

MR. BARRETT: That is right, but it is now.

MR. CALLAN: It was not always Tory. That can go Liberal again.

MR. BARRETT: They have a good member now.

MR. CALLAN: Go resign and see how quick it will go Liberal if an election is held within the next six months. Go and resign. It is a waste of money for you to be there anyway. Four MHAs for St. John's is plenty anyway.

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

MR. WARREN: Mr. Speaker, I would be only too glad to make way for some of the ministers that the Premier is referring to in this new bill if ministers wish to get up and say something.



MR. W. CALLAN: Maybe some of the backbenchers would get up too.

MR. WARREN: Because I am sure, Mr. Speaker, that once this bill is passed you are going to see many disgruntled ministers. They are going to be very disgruntled with the Premier. Mr. Speaker, how could the Premier of a province, the poorest province in all of Canada, say, 'Look, okay, I am the boss so I am going to show my ministers that I am the boss. Now when they want to change their dirty underwear I will tell them when.' And this is exactly what he is doing here. Neither one of the Ministers of the Crown, and he is the Premier and they are responsible to him, neither one of those ministers after this bill is passed will ever chance to make up their own minds. It will be the Premier of the province who will be making up the minds of the ministers.

Mr. Speaker, I was just noticing, I am just wondering what kind of a civil service are we going to have in this Province. Under these guidelines, and the member from Terra Nova alluded to them earlier in his comments, what kind of a civil service are we going to have in this Province after this bill is passed and gets royal assent?

The B section of part one gives a definition of a relative. Here is what it says for a definition of a "relative" in relation to a particular Minister means the spouse of that Minister or any person and within one degree of relationship by marriage, adoption' and so on. Now, Mr. Speaker, I am just wondering. We have eighteen ministers of the Crown. With eighteen ministers of the Crown if you are talking about one degree of relationship,

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MR. G. WARREN:

Mr. Speaker, you are talking about practically every Newfoundlander. And not only that, but related to the minister or his spouse, one degree of relationship to the minister or his spouse. Mr. Speaker, take for example the Premier himself and the Premier's wife. Why do

MR. WARREN:

we not just for a second go back through the family relationships, go back through the family relationships so therefore nobody who is related to the Premier or his wife can be associated with the Premier's Office whatsoever. Nobody related to the Minister of Justice (Mr. Ottenheimer) or his wife down through the years, through their parents or any relatives at all, with any degree of relationship not supposed to have anything to do with that department.

So, Mr. Speaker, you know, I am surprised that the Premier would bring in such stringent regulations to his ministers. So it boils down, Mr. Speaker, that the Premier wants to wash the egg off his face and he does not know how to go about it. That is what it boils down to. He just does not know what is the best approach to go about it. So here is one way, either let the public of Newfoundland and Labrador know that, "Look, I am a sincere Premier, I am going to make it look publicly obvious that I will not let the Minister of Rural, Agricultural and Northern Development (Mr. Goudie) or anybody in his department hire anybody who is associated at all, any relationship at all to him or his wife's family" and so on. Now, no, Mr. Speaker, I wonder has the Premier gone through his departments? Is there anybody at all I wonder, I just wonder, is there anybody at all now in the Department of Social Services, in the Department of Social Services throughout Newfoundland and Labrador, who has some connection with the Minister of Social Services? I bet there is. Is there anybody at all in the Department of Rural, Agricultural and Northern Development who has some sort of one degree of relationship? I am sure there is. So what is the Premier going to do? What is the Premier going to do? He is going to, as soon as this bill is brought in, the

MR. WARREN: next day he is going to come in and he is going to say, "Okay, these are the individuals that I have asked my minister to fire because they are related to him."

MR. TULK: One degree.

MR. WARREN: One degree. How many degrees are there altogether? 360? So one degree. I understand the Premier was a school teacher at one time so I can understand that he must have majored in geometry. He must have majored in geometry.

So, Mr. Speaker, you can understand that the Premier not only wants to act like God Almighty, he wants to be God Almighty.

MR. WARREN: You know, it is amazing, Mr. Speaker. What is going to happen to the Minister of Development, I wonder? What is going to happen to the Minister of Development (Mr. Windsor) who can go ahead up in Gull Pond about thirty-five miles outside of St. John's and tell his buddies, 'Look, go ahead and build a cabin with no permission.' What is going to happen to the Minister of Development for that, I wonder?

MR. NEARY: The minister (inaudible).

MR. WARREN: What is going to happen to the Minister of Development, who is telling all his buddies to go and build Summer cottages without permission and having bulldozers coming in from the Department of Highways and getting roads going in to Summer cabins? What is going to happen, Mr. Speaker? Can the Minister of Transportation (Mr. Dawe) say to the Minister of Development, 'Yes, boy, if you want a bulldozer to go in and get a road in to So-and-so's cabin, by all means, you can use it'? It was only two months ago, Mr. Speaker, exactly the same thing happened about thirty-five miles from St. John's up in the Gull Pond area. Now, Mr. Speaker, that was directed by some minister. Now, is this not conflict of interest? Therefore, is this what is going to happen after this bill is brought in?

MR. WINDSOR: Do not be so childish!

MR. WARREN: The Minister of Development must be hurting. He must be hurting.

Mr. Speaker, I am just about finished but I would like to say to the Premier -

MR. WINDSOR: You prove that I or anybody else told anybody to build a cabin without a permit.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: What about the paving?

MR. WARREN: I can see, Mr. Speaker, why the Premier is bringing in some regulations. Mr. Speaker, the Premier is going to make everybody in this Province suffer. Mr. Speaker, because of the doings of some of his ministers. So if we have to put up with the ministers, we may as well make the other people suffer. And that is what he is going to do, Mr. Speaker.

MR. TOBIN: (Inaudible) show.

MR. WARREN: As for the member for Burin - Placentia West (Mr. Tobin), I understand that before the election he made about five trips in to St. John's from Burin on the taxpayer's money and sat up in the galleries. I remember him sitting up in the galleries on five occasions before the provincial election on the taxpayer's money, so he should not talk too loudly.

SOME HON. MEMBERS: Oh, oh!

MR. WARREN: That is right, on the taxpayer's money, as a civil servant, having a high time sitting up in the galleries.

MR. TOBIN:

Lies! Like your leader, lies!

MR. TULK:

Are you supposed to be working at all then?

MR. WARREN:

That is right. So there is a guy that wanted to run, Mr. Speaker, so you can see the Premier has to do something with the legislation. He is desperate. He knows his members are getting out of hand, and he knows his ministers are getting out of hand, so he says, 'Now, okay. I got to bring in some conflict of interest legislation because this is going overboard.' So, Mr. Speaker, you can see that the member for Burin-Placentia West (Mr. Tobin) is so upset now that I finally told on him - right? - I am surprised, Mr. Speaker, that he has to admit that the Premier is trying to cover up for his backbenchers who are really socking it to the taxpayers of this Province.

MR. TOBIN:

Tell us why you did not go on the Morning Show?

MR. WARREN:

Well, Mr. Speaker -

MR. TOBIN:

It is too bad you did not go on the Morning Show.

MR. BARRETT:

Tell us why you did not go to Ottawa.

MR. WARREN:

Do you want to know why I did not go to Ottawa? Do you really want to know why I did not go to Ottawa?

MR. BARRETT:

Not really.

MR. WARREN:

Oh, oh! I see. Okay. I see. So you do not want to know why I did not go to Ottawa.

SOME HON. MEMBERS:

Oh, oh!

MR. WARREN:

Now you want to know why I did not go to Ottawa and why I did not go on the Morning Show.

MR. TOBIN:

Yes.

MR. WARREN: Because there are better things in this Province to talk about than Mr. Trudeau.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: If the Morning Show called me up and asked me to make some comments on a statement that the Premier made, I would be only too glad to go on.

Now, Mr. Speaker, I am sure tomorrow morning if the Morning Show asked me to comment on this legislation I would be only too glad to do it.

MR. TULK: On the leadership of the Premier of this Province.

MR. WARREN: Mr. Speaker, I would be only too glad to talk about the legislation that the Premier is trying to pass and trying to cover up for his incompetent ministers, and incompetent staff, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!



MR. BARRETT:

What about the native agreement?

SOME HON. MEMBERS:

Tell us about the native agreement.

MR. WARREN:

No, I will keep that until later.

That is a good one now. We had better keep that one for later, you know.

So, Mr. Speaker, you can see that they are all upset. They are all upset because the Premier has brought this conflict of interest bill in and those regulations are outlined. You know the ministers did not even know about it.

Now, Mr. Speaker, what do you expect.

MR. TOBIN:

Tell us why you did not go on the

Morning Show.

MR. TULK:

Double take now, double take!

MR. WARREN:

So, Mr. Speaker, you see -

MR. TOBIN:

Be careful. Look out do not let

(inaudible).

MR. WARREN:

Listen, Mr. Speaker, in this party we are an open party. We are an open party and we do not have our leader coming in with a statement like this and saying, 'Look, as Leader of the Opposition now you as members are not allowed to say this or not allowed to do that'.

MR. NEARY:

Hear, hear!

MR. WARREN:

This is what the Premier is doing with his bunch. And he is saying, 'Look, I am the boss here and you will do and say what I tell you to do and say'. That is the way the Premier is running his colleagues. And that is why I can see on some of the faces over there now some sadness. There is much sadness showing on the member for Buchans (Mr. McLennon), look how sad he looks, because the Premier is telling him now, 'You do not do or say anything unless I do or say anything'.

MR. WARREN:

So this is what is wrong, Mr. Speaker. That is the difference in the two parties. The Premier has bluffed the people of the Province on April 6th. and he has bluffed them so often now he is turning yellow. He is turning yellow from bluff. And, Mr. Speaker, the people of the Province realize this. They realize now that all the Premier is doing is trying to camouflage the whole thing that has happened.

Mr. Speaker, before the House adjourns on December 3rd. I would think that the Premier will be blushing more than once when we lay on this table some of the information, some of the scandalous, ridiculous things that have happened during his administration in the last three or four years. Mr. Speaker, it is only just a matter of time. It is no good to bring this thing in and expect the people of the Province once again to swallow his bait and line, hook and sinker and everything else, because they will not do it anymore.

MR. DAWE:

Could you tone down a bit? member for Terra Nova (Mr. Lush) is trying to get some rest.

MR. WARREN:

Well, it is like this, Mr. Speaker, the Minister of Transportation (Mr. Dawe) - you know, talking about statements -

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MR. WARREN: he came on the radio the other day and he said, " You know, we had the worst Winter on record last year but this Winter we are not going to have a bad Winter". He must be a good forecaster.

MR. TULK: Let us hope he is a better forecaster than he is a minister.

SOME HON. MEMBERS: Oh, oh!

MR. WARREN: He said, 'We are all ready because we do not expect a bad Winter this year.' So he must be really on the ball. So, Mr. Speaker, that is the kind of thing that you hear on the Morning Show, that is the kind of thing you hear on the Morning Show, next year's forecast.

MR. PATTERSON: His leader did not stop him though.

MR. WARREN: No, but his leader told him what to say. That is what happened. He did not stop him but he told him what to say.

MR. TOBIN: Your leader stopped you.

MR. WARREN: No, no. That is one thing with me, that is one thing with the member for Torngat Mountains (Mr. Warren), not Premier Peckford or Steve Neary or any one else that could stop Mr. Warren from speaking.

SOME HON. MEMBERS: Oh, oh!

MR. WARREN: I will say that, that no one could stop Mr. Warren from expressing his views. And I will tell you this much, and it is good news for the Premier to hear, I am sure if he listens to his radio and reads the papers between now and December 3rd there will not be too many nice things said about the Premier from Mr. Warren. There will not be too many nice things said about him. How could you say anything nice about him? How could you? Let us fact it!

MR. WARREN: even the ministers -

MR. TULK: He is a nice fellow but he bumbles a lot.

MR. WARREN: After this bill is passed there are going to be ministers on the outside. And the member for Bonavista North (Mr. Cross), I am sure at the time he feels ashamed of the Premier bringing in this legislation not allowing him to make a statement unless the Premier first reviews the statement.

SOME HON. MEMBERS: Oh, oh!

MR. WARREN: Now, Mr. Speaker, they must be coming to the end of their rope, they must be coming to the end of their rope.

MR. PATTERSON: It is the end of the Liberal Party.

AN HON. MEMBER: That is a silly (inaudible)

SOME HON. MEMBERS: Oh, oh.

MR. WARREN: I saw you performing on Saturday night, Sir, and you did a much better job than the Premier would do most times. So you can see, Mr. Speaker, we may as well abandon the Public Service Commission. The Public Service Commission may as well be abandoned because this is the first move of abandoning the Public Service Commission.

MR. WARREN: You know, I do not understand. Honestly, for the life of me I cannot understand it. Does that mean that when a person applies for a position within the civil service - and I have to get it straight because I cannot believe it. I will believe it when it happens - is there going to be marked on the application, "Are you related to such a minister?" Is that going to be marked on the application? Because if you are you cannot be employed then.

MR. TULK: He did not realize that, relations to ministers.

MR. WARREN: So I am just wondering when the application comes out now is question number nineteen on the civil service application going to be, "Are you one degree related to the Minister of Rural, Agricultural and Northern Development?"

MR. TULK: No, are you related to a minister, one degree, two degrees, three degrees.

MR. WARREN: Oh, it will be done in degrees. Yes, because it looks like that is what is going to happen. I am sure that once this bill is passed the first thing the Premier is going to do is call up the new Chairman of the Public Service Commission, Mr. Withers, and say, "Okay, we want a change in your policy now. Do up all new applications for civil servants, and question number seventeen has to be, 'What relation are you to the minister or his spouse? - the minister or his spouse, it is very broad -. What relation are you to them?' And in brackets, if so please do not apply.

MR. TOBIN: Which government hired you?

MR. WARREN: So you can see, Mr. Speaker, the Premier is really standing on very touchy ground. He is really standing on very touchy ground. In fact I would not be a bit surprised that it will turn out that the member for Burin-Placentia West (Mr. Tobin) may be related to a minister so that he might not even be allowed to sit in the House. Did the Premier think about that one?

MR. TULK: He would not be able to go to him and ask for a new position.

MR. WARREN: That is right. You know, the member for Burin-Placentia West (Mr. Tobin) may be getting into trouble under this new legislation because he might be disqualified from the House; there might be something there, you do not know.

Now, Mr. Speaker, I would like to say that -

MR. TOBIN: Which government hired you?

MR. WARREN: Which government hired me? In the beginning I think it was under the old Liberal Government and then I was rehired again under the Government of Mr. Frank Moores.

MR. TULK: That is right. That is right.

MR. WARREN: You must remember that I must have been okay because they rehired me. I must have been okay because they rehired me. And in fact it is interesting to note that this government tried to fire me, but could not, on April 6th.

SOME HON. MEMBERS: Hear, hear.

MR. WARREN: So, Mr. Speaker, I think that the Premier should seriously look at these amendments to his Conflict of Interest Act. I believe that he should, in fact I believe the ministers - this is only early in the game - after we finish for the evening why does not the Minister of Transportation (Mr. Dawe) because he looks like a serious individual and I am sure he does not want the Premier to badger him. And the Minister of Communications (Mr. Doyle), in fact, one of the must up and coming ministers of the Crown, a man who I have much respect for, I am sure that he is not going to bow down to the Premier.

MR. TULK: Who is that?

MR. WARREN: The Minister of Communications, he is not going to bow down to the Premier. So I would think, Mr. Speaker, that the ministers will say to the Premier, 'Look, you might be bully enough to fool the people of Newfoundland but you are not going to fool us'.

So, Mr. Speaker, I think the Premier should redraft this Conflict of Interest Act and make sure that he is not going to play havoc with the Public Service Commission, because that is what is going to happen: You are going to play havoc with the Public Service Commission because if you are going to use the one degree of relationship it is definitely going to hurt the whole system, the whole democracy of this Province.

PREMIER PECKFORD: Mr. Speaker,

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

The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I listened with a lot of interest to some of the comments made by members opposite but I think in its totality it comes down to simple

PREMIER PECKFORD:                   this: That for years and years and years members of the Opposition, of whatever political stripe, find it within their means and within their want from time to time to allege certain things of the government, that is the Cabinet and the people who operate the Public Service of the Province. And from time to time I guess every member in his turn, especially on the opposite side of the House and some of the new members on this side of the House from time to time have lamented the fact that the perception on the street of politics and politicians and of governments generally is at a very low level. The perception that they have of the government and of politicians is such that we should really do something about it, we have to elevate the tenor of debate, we have to, as a government especially let alone the Legislature itself in its debates, have to somehow elevate ourselves so that the public perception of us is different.

  And so, Mr. Speaker, in recognition of that fact then one would think that action speaks louder than words. We can talk all day long about it but until somebody actually takes some definitive concrete action then you really have not changed anything. All you are doing is talking about it. So, Mr. Speaker, I have and Cabinet has, in recognition of that, decided that we would take some action, that we would not just leave it to chance, We would not, as the member for Terra Nova



PREMIER PECKFORD:

(Mr. Lush) would like to say, 'assume' everything is going to be okay . We are not going to 'assume' everything is going to be okay. We are going to actually make sure everything is going to be okay. Assumptions are one thing, actions are another. So therefore whilst I understand what the member for Terra Nova is talking about - I understand it very well - it is not a very good defense for any member of government, or for any member of the Legislature for that matter, to say after something happens, 'Well, I just assumed that everybody understood the principles under which we operate'. That would sound like a great defense when some allegation is made that proves to be valid.

MR. TULK:

It is all right after the barn door is closed.

PREMIER PECKFORD:

Yes, the barn door is closed then and the animals are outside. It is too late then. So, Mr. Speaker, it comes down to if the members of the House of Assembly, if the government are serious about what they say, then let them act. Therefore this legislation, this amendment is saying that no longer will politicians in government just say they are going to do something, they actually act to do something. And that is what this legislation is all about and why it is a reform and why it is a very significant reform in the operation of government and the conduct of ministers.

But secondly, Mr. Speaker, on this whole question of perception, it is not only a perception as it relates to politicians and ministers and government, it is also that as it seeps down through the system. So the second part of it, which very few members opposite addressed themselves to, is not only the ministers

PREMIER PECKFORD:

but also the public servants who work for the government and who implement and carry out government programmes. There has been a perception on that score as well. So that, therefore, we are also through regulations governing the conduct and the potential conflict of interest that various individuals who work in the public service are confronted with every day. So therefore we are not just simply saying the ministers, we are also including in the legislation and in the amendment public servants. So it is a question of perception. And if you are going to change perception then you better stop talking about it and you better start doing something about it. And that is what everybody keeps talking about every day. But the Opposition does not want this legislation in, see, Mr. Speaker.

MR. NEARY:

No. We want the Auditor

General to have a go at it.

PREMIER PECKFORD:

Oh, I will come to the

Auditor General in a second. The Opposition does not want this legislation brought in because then they will not have the same opportunity to make allegations against the government as they have now, you see, once this goes through. They want their cake and eat it too. One would think that given that the perception is what it is—and I have heard from time to time that statement validated by people opposite, that they would welcome this kind of reform where the government is trying to put restrictions on themselves that this is the kind of thing you see, that the Opposition should welcome. They would have a lot more credibility themselves in the market place and on the streets if they welcomed this reform.

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PREMIER PECKFORD:

Where things are good  
say they are good, when they are bad say they are bad,  
but just do not say everything is bad, Mr. Speaker.

PREMIER PECKFORD:

Just do not say everything is bad. So what the Opposition has done now, once again they have painted themselves into this corner. Because as people start reading this information coming out, 'How come the Opposition would be against the government trying to regulate its own conduct and regulate the conduct and the potential conflict of interest of public servants? That is a funny thing for the Leader of the Opposition (Mr. Neary) to do. Why would he do the likes of that?'

The Leader of the Opposition is on his white horse every day trying to talk about this in government and that in government, and now he comes out against the reform that the government is making. How inconsistent! How contradictory is the Leader of the Opposition at all? So that is, number one, Mr. Speaker, the perception has to be attacked and this government is attacking the perception.

Secondly, what do they do in other places? What has been done in other places? When I mentioned it to the Leader of the Opposition he would not give me an opportunity to ask a question when he was debating the bill. But his own leader whom he so much admires in Ottawa, the Prime Minister, brought in in the last couple of years because of problems in his ministry with a number of ministers in calling judges and in other things that these ministers did-who are still ministers by the way- and others what they did at the time, so he brought in a whole new set of conflict of interest regulations and guidelines for ministers, and they follow very, very closely along the lines of the ones that we are talking about here today, as do other jurisdictions around the world and in Canada.

PREMIER PECKFORD: Then the hub of the questions comes down that for public servants, their potential conflict of interest under these guidelines come to Cabinet. Then what happens to Cabinet ministers? Now, Mr. Speaker, here is where the nub of the issue comes.

MR. NEARY: At least the Prime Minister has integrity. He boots them out.

PREMIER PECKFORD: Well, we can both disagree on that. Talking about the federal government and how democratic and honest they are, millions of dollars, tens of millions of dollars without public tender every year reported by the Auditor General of Canada, tens of millions every single year, I forget the number, I think it is over \$100 million, \$200 million awarded without tenders. And if the hon. members opposite want to talk about democratic government, I will give you examples of office space in Grand Falls- Windsor which went to tender and when the tenders were opened a certain individual had the lowest tender and then it was taken away from that firm and given to another person who had not tendered on it because the political persuasion of the lowest bidder was not proper. And I will give you other examples. So when you start talking about public tenders, the government of Canada are the worst culprits of all the governments in Canada. Tens of millions of dollars every month go out without public tender.

PREMIER PECKFORD: So let us not go talking about how great this federal government is when it comes to public tendering and the conduct of public business.

Now, Mr. Speaker, on the question of responsibility on this, this is where the Opposition obviously forgets what the whole definition of responsible government is. Why is it that the Prime Minister of Canada or the Premier of Alberta or the Premier of Ontario or the Prime Minister of England and in other democracies bring in ministerial guidelines for which they are responsible? Because the government are responsible to this Legislature and I am responsible to this legislature.

MR. NEARY: No, you are not.

PREMIER PECKFORD: And therefore you cannot-

MR. NEARY: That is an incorrect statement.

PREMIER PECKFORD: Mr. Speaker - I was quite when the Leader of the Opposition spoke.

MR. NEARY: That is an incorrect statement.

MR. SPEAKER (Aylward): Order, please!

PREMIER PECKFORD: Mr. Speaker, if we were to do as the Leader of the Opposition (Mr. Neary) said, slough it off on the Auditor General or somebody else who is an officer of this House then he would be saying, 'The Premier is not exercising his responsibility. He appoints the ministers and he should be responsible for the ministers then'. We would be sloughing it off on somebody else, that the Premier does not want to take responsibility. That is part of his role as Premier. That is part of his role as leader. I can hear now the member for LaPoile (Mr. Neary) getting up and trying to wax eloquent that we are sloughing off on somebody else the responsibility

PREMIER PECKFORD:

of governing and operating and behaving properly as government and as ministers and as the Premier. So that therefore it is a very important principle involved here, that the leader of the government and the Premier or the Prime Minister, depending on what jurisdiction it is, must not be allowed to slough off his or her responsibilities on somebody else. That is the role of government. These are ministers of the Crown, ministers of the government, and the Premier or the Prime Minister is the first minister of that government and that government is responsible to the Legislature in all its actions through the legislation and through the other things that it has to do.

Therefore to suggest for one minute that somehow one of the responsibilities of the leader of that government can be sloughed off on somebody else, pushed off on somebody else, Mr. Speaker, is an admission, is to indicate that somehow or another there are times when the responsibilities of a leader of a government are not longer the responsibilities of a leader of a government. Now to me that smacks wrongly. We are responsible. We are elected democratically, we are responsible to this Legislature. and therefore it follows logically that the leader or the first minister of that government therefore must be responsible for the actions of his or her government as he or she appoints them to the Cabinet. To do otherwise to me would be a complete breakdown of what we know as the responsible government system that has evolved over time in the British Parliamentary tradition.

So, Mr. Speaker, we are today unfortunately faced with an Opposition here who

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PREMIER PECKFORD:

opposes a reform which is involved in trying to reform  
and to put into practice what we have all preached for  
years, to try to make sure that the perception -



PREMIER PECKFORD:

it is one thing to be just, it is another thing to be perceived to be just - and here we are taking tangible, concrete action to ensure that the potential conflict of interest situations which come up for ministers daily and weekly and for public servants daily and weekly are covered by some kind of guideline and some kind of regulation to ensure that what we want to happen, the perception we want to be abroad actually becomes the perception. And so therefore, Mr. Speaker, I am extremely proud that we have had this debate today and proud that as the first item of business today is this amendment to the Conflict of Interest Act, and I am sure members of this House, and in years to come new members who will come in, will look upon this amendment to this Conflict of Interest legislation as a major improvement upon the legislation that was already there. Now remember what was already there was also very important, that ministers and heads of Crown corporations and deputy ministers, and there is a schedule, have now to file each year, by January, I think, each year, a statement which is public, which anybody can get a copy of, indicating what they have, what their assets are, what they have - do they have any land, do they have any shares here in this company or that company or whatever, and that is public. Anybody can go today and get my statement for the last year, or get the hon. Minister of Transportation's (Mr. Dawe) statement or anybody else, or the head of a Crown corporation or the head of an agency. That is there for anybody to get any time. It is already there. What we are doing now is improving upon that as it relates to potential conflict of interest which has nothing to do with what I own, what I possess, but has to do with the day-to-day running of government as it relates to loans and grants, getting land, getting jobs and all the rest of it - to bring it one step further to improve upon a very valuable piece of legislation

PREMIER PECKFORD:

that was there all the time.

So I am very proud to move second reading.

SOME HON. MEMBERS:

Hear, hear.

On motion, a bill, "An Act To Amend The Conflict Of Interest Act, 1973," read a second time, ordered referred to a Committee of the Whole House on tomorrow.

MR. MARSHALL:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. President of the Council.

MR. MARSHALL:

Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 P.M. and that this House do now adjourn.

MR. NEARY:

What will we be on tomorrow?

MR. MARSHALL:

Mr. Speaker, tomorrow we will be on the resolution that the hon. the Premier gave notice of today. I would have assumed, Mr. Speaker, that the hon. gentlemen would have preferred it to be passed without any debate whatsoever.

On motion, the House at its rising adjourn until tomorrow, Tuesday, November 9th, 1982, at 3:00 P.M.