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THIRTY-NINTH GENERAL
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PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
MONDAY, APRIL 2, 1984

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Russell): Order, please!

ORAL QUESTIONS

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

MR. NEARY: Mr. Speaker, before I address my question to the Government House Leader (Mr. Marshall), I have to draw to the attention of the House that he did not have the courage to show up the other night for the Confederation gala. He would have been welcomed even if he was carrying a protest placard. He did not want to sing 'O Canada', I suppose that is why he did not come, or he might have had to say, 'I am a proud Canadian'.

In connection with this little brochure, Mr. Speaker, Compromise Proposal, in the first proposal, in paragraph one, 'When the Right Hon. Joe Clark was Prime Minister the Government of Newfoundland proposed, and Mr. Clark agreed, that the offshore would be treated the same as if it were on land. That is to say, we'd have ownership and control like the other oil and gas producing provinces. However, when the Trudeau Administration was re-elected they rejected the Clark position.' Now, Mr. Speaker, in view of the fact that the Tories nationally have adopted the same position as the Liberal Government in Ottawa, this brochure is misleading and should be withdrawn.

Now, Mr. Speaker, will the hon. gentleman tell the House if it is the intention of the administration there opposite -

MR. TOBIN: Who are you asking the question to?

MR. NEARY: I am asking the Government House Leader, the gentleman responsible for Energy. If this brochure that is costing the taxpayers of this Province so much money is now misleading, - well it was always misleading, but moreso now since the

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MR. NEARY:

Tories have adopted the same position as the Liberals - well, it be withdrawn? Will there be another brochure issued to correct the misleading statements that are made in this brochure, Mr. Speaker?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, there are no misleading statements in that brochure. They are accurate, they are factual. The federal Progressive Conservative Government was prepared to treat the resources the same as if they were on land. Mr. Trudeau tore up that understanding. Then we negotiated from the point of view of joint ownership. They would not hear of that. Then we tried to negotiate from the point of view of a sensible joint management regime, and they would not hear of that. So instead of the hon. gentleman getting up and making statements of that nature which have no foundation whatsoever, I would suggest that he would better serve the people of this Province if he would press the federal government of the day and ask when it is prepared to treat Newfoundland with fairness and equity in the offshore and on the other matters, or does he prefer to do what the present representative in the federal Cabinet apparently did over the weekend, and get up and exult over the fact that the federal government were going to do it all by themselves, all alone? Does the hon. gentleman think that that is a great stance for somebody to take who is supposed to be representing Newfoundland in the federal Cabinet of Canada?

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I was coming to that, but before I come to that the hon. gentleman should take a look up in the gallery over the Speaker's gallery and maybe he should buy a shirt like that, drape himself in the flag as he is attempting to do again this afternoon. He should get a shirt with the Newfoundland flag.

Now, Mr. Speaker, will they be issuing a brochure now to the schools and to the liquor stores and to all the other places in Newfoundland, will

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

MR. NEARY: Mr. Speaker, if the hon. gentleman is not prepared to state the facts to the school children and to the people of the Province, is the hon. gentleman prepared to send along with his package, with the brochures, is he prepared to send along the statement that was made by the Prime Minister at Memorial University that the Government of Canada, of which Mr. Trudeau was Prime Minister, that the Government of Canada would treat the offshore, immaterial of the court decision, treat the offshore the same as if it was on land, that we would get 100 per cent of the revenue until we became a have Province? Is the hon. gentleman prepared to include a letter to that effect? I can give the hon. gentleman a copy of the letter. Is he also prepared to send along in any future brochures, and any future packages, a very generous offer that was put on the table by Mr. Chretien, where there would be a joint management committee where 75 per cent of the revenue would go to the Province and all kinds of other goodies that were not in the Nova Scotia agreement? Now, if we are going to be factual and we are going to ask the taxpayers to pay for these brochures and the brainwashing and the propaganda, is the hon. gentleman prepared to show the other side of the story by including these things in any future brochures or any future package that goes out to the schools or the liquor stores or any other place in Newfoundland?

MR. SPEAKER (Russell): The hon. the President of the Council.

MR. MARSHALL: We are not concerned with statements, we are concerned with performance. And the hon. the Prime Minister of Canada, the hon. gentleman alleges him to say what he did not say. All we know is that there is a marked difference between what the hon. gentleman alleges his Leader in Ottawa said and the performance. You know, it is certainly rejected. The only thing I remember at the university the Prime Minister of Canada saying was lecturing young Newfoundlanders on the fact that they were selfish to ask for a fair deal on the offshore. And I think he said, "You are much more selfish than your forebears."

Now on the business of the generous offer by Mr. Chretien, Mr. Speaker, where does the Liberal Opposition stand? It was just the other day that the hon. member for Mount Scio (Mr. Barry) was getting up and indicating that he agreed in substance with what the Province of Newfoundland was doing with respect to the offshore, and here is the Leader of the Opposition (Mr. Neary) now urging us to accept Mr. Chretien's so-styled generous offer. So I do not know where the hon. gentlemen stand as between themselves.

So, Mr. Speaker, all the hon. gentleman is doing is attempting to confuse as much as he possibly can. The issue is serious. Most people in the Province know the facts that are at stake and we are not going to allow the hon. gentleman to confuse it in any way. The fact of the matter is that we had put a year ago a very sensible offer on the table which would have assured equality to all Newfoundlanders with respect to the offshore,

MR. MARSHALL:

and would have had an effective joint management system.

And the other fact of the matter, Mr. Speaker, is that that has been rejected and to date has not be delivered.

MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. Leader of the Opposition.

MR. NEARY:

Mr. Speaker, I want to say to the hon. gentleman that the answer that he just gave is false and incorrect. Mr. Speaker, I have here the position that was outlined by the Prime Minister over at the university in a letter to me dated Ottawa July 6, 1981, signed by the Prime Minister, Mr. Speaker, And I want to ask the hon. gentleman is he aware that the Prime Minister stated at the university and confirmed to me in writing that coastal provinces would derive maximum benefits from offshore? Accordingly, Mr. Speaker, a system of administrative arrangements involving both the federal government and each coastal province was proposed and that a coastal province should receive the same kinds of revenues as are derived by provinces from onshore resources until it becomes a have Province. Now, Mr. Speaker, that is in direct contradiction to what the hon. gentleman just said. Is he aware that that statement was made at the university and confirmed in writing.

PREMIER PECKFORD:

He broke his word.

MR. NEARY:

The Premier is saying, 'he broke his word,' but here it is in writing. I am prepared to table this, Mr. Speaker.

PREMIER PECKFORD:

You tabled it before.

MR. NEARY:

No, you have not tabled it because you do not have a copy of it. But I am prepared

MR. NEARY: to table it. Is the hon. gentleman and the hon. Premier aware that a coastal province, according to the Prime Minister, would receive the same kinds of revenues as are derived by provinces from onshore resources?

MR. SPEAKER (Russell): Order, please! I think the Chair has allowed the hon. Leader of the Opposition (Mr. Neary) quite a lengthy preamble to what is suppose to be a question.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Well, there it is. I am prepared to table it.

MR. MARSHALL: Mr. Speaker.

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

MR. MARSHALL: Mr. Speaker, as the Premier says the Prime Minister did not deliver on his word. It was as a result of that statement that we entered into negotiations in the first place.

PREMIER PECKFORD: That is why we negotiated after the statement.

MR. MARSHALL: And we found that what the Prime Minister said he was not prepared to deliver; and neither was his government prepared to deliver. then or neither have they delivered it since. Maximum benefits are alright to the hon. gentleman, but what does he mean by maximum benefits? He just means by maximum benefits that equalization and welfare payments will be paid from the resources that we have brought into Confederation with us rather than through the central government. So the hon. gentleman is not seized of the issue, he does not know, he just does not understand it. Mr. Speaker, his every word shows, I have

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MR. MARSHALL: to say, that he continues
to be a willing handmaiden of Ottawa.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Here it is in black and
white.

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

MR. BARRY: Mr. Speaker, I would like to direct a question to the Premier.

In light of the fact that negotiations have broken off with Quebec-Hydro on the Upper Churchill contract and, presumably, on other matters relating to future Labrador hydro development, I would like to ask the Premier whether he would put before this hon. House and the people of the Province the reasons for this latest failure by his administration to conclude and negotiate a settlement on an important issue affecting this Province, specifically, what was the offer of Quebec and how was this inadequate as far as our Province is concerned?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, first of all, the hon. the member for Mount Scio is erroneous in his preamble. Negotiations have not broken off. We have indicated in our statement of Friday the Government of Newfoundland tended to not agree to defer the Water Rights Reversion Act decision by the Supreme Court of Canada and we indicated in that same statement that we wish to continue to negotiate with the Province of Quebec over our mutual problem, that being the question of hydro power in Labrador and specifically the question of the Upper Churchill contract. So negotiations have not broken off but we have taken a particular position as of Friday as it relates to the Water Rights Reversion Act.

MR. BARRY: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary, the hon. the member for Mount Scio.

MR. BARRY: I would like to ask the Premier, in light of the fact that the Province will not consent to

MR. BARRY: a further deferment or postponement of the Supreme Court of Canada's bringing in its decision, whether the Premier has any indication how long it will take for that decision to be brought down and whether that will give sufficient time to the Province and to Hydro-Quebec to conclude an agreement should, in fact, both parties be desirous of so doing?

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

PREMIER PECKFORD: Mr. Speaker, as the hon. the member for Mount Scio (Mr. Barry) must know, being the lawyer that he is, we have no particular knowledge of how long it will take the Supreme Court of Canada to decide and render its decision. That is an unknown to us, in the same way as it was an unknown to us as to what time they would bring down the decision on the offshore reference. We have no particular confidential or secret information as it relates to how long it will take the Supreme Court of Canada to render a decision on the matter.

MR. BARRY: Mr. Speaker.

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

MR. BARRY: Mr. Speaker, if, in fact, it is possible that the Supreme Court of Canada could bring a decision down within the next week or two, would that not in the Premier's opinion bear the risk, and a very grave risk - although there is, I believe, a better case here than there was on the offshore presentation, better odds for the Province - is there not a very grave risk, as in any court case, that the decision could go against the Province, and would not then the Premier have lost any opportunity of negotiating with the Province of Quebec or be faced with negotiating from a position of weakness having lost another court case?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, that is a very hypothetical question, if this happens then a whole bunch of things flow from there. We do not know whether it is going to be a week, whether it is going to be two weeks, whether it is going to be three weeks, whether it is going to be a month, so the hon. member is concocting a hypothetical situation and obviously there are all kinds of things that can be said about hypotheses of that sort. So I do not intend to engage in some kind of hypothetical situation here today. If the hon. member has a direct question to ask me, well, then I am prepared to answer it, but as far as a hypothetical situation is concerned, who knows?

MR. ROBERTS: Mr. Speaker.

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

MR. CARTER: A stranger in the House!

MR. ROBERTS: Mr. Speaker, I would rather be a stranger, in the words of my friend from St. John's North (Mr. Carter), then to be strange, as he is.

MR. ROBERTS: Mr. Speaker, let me ask a question of the Minister of Fisheries (Mr. Morgan), who I know will treat the matter a little more seriously than would his colleague from St. John's North (Mr. Carter), which, of course, is why the minister is the minister and the gentleman from St. John's North is not. St. Anthony and the Northern Fisheries Development Corporation, could the minister bring us up to date on the situation? I understand some proposals have gone in from the administration here to the Government of Canada, but I wonder if he could tell us in what form those suggestions were made, were they oral or were they written, and could he tell us, more importantly, what response if any there has been?

MR. SPEAKER (Russell): The hon. the Minister of Fisheries.

MR. MORGAN: Mr. Speaker, as per the agreement in the restructuring, there would be a Northern Fisheries Development Corporation established and both governments would pursue the objective of having it done as quickly as possible. We developed - and when I say 'we' I mean the government, the administration - a policy position and a proposal for the formation of such a corporation to take over the Northern plants, the plant at St. Anthony and indeed the plants along the Labrador Coast. The Deputy Minister of Fisheries was assigned by Cabinet as the man to head up the Committee to carry out the negotiations with the federal officials, and the federal officials mostly involve the federal Department of Fisheries, people like

MR. MORGAN: Dr. Art May in particular, who is the deputy for that department. The proposal was put forward to the federal officials approximately a little more than two weeks ago at the first of such meetings to commence the negotiations and discussions for the formation of a Northern fisheries corporation. So at this time I can say that the negotiations are ongoing between the two levels of government, as I say, at the senior official level. And as for the content of the proposal put forward, I think it would be wrong for us to indicate publicly what the content of the proposal is, because it would be unfair to commence that kind of a negotiation and have public discussion when we have these kind of very important discussions ongoing privately.

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

MR. ROBERTS: Mr. Speaker, I quite concur with the hon. gentleman that we should not negotiate in public and I certainly would not ask him what is in the proposal. And I appreciate the fullness of his answer, but I am not sure that he answered either of the two questions, so let me simply give him another opportunity. Could he tell the House, Sir, in what form the proposals were made? Were they simply statements communicated to Dr. May by Mr. Andrews, the minister's deputy, during the meetings which were held in Ottawa? If so, that is fine; you know, I will let it go at that. And, secondly, could he tell us what response, if any, the Government of Canada had made? Because the matter, as he will appreciate, and I know he understands the situation, is rather dragging on now. Here we are well up into the Spring, it is the 2nd day of April.

MR. SPEAKER: The hon. Minister of Fisheries.

MR. MORGAN: Well, Mr. Speaker, not being at that meeting I am not sure whether the document that we devised as an administration was left with the officials, but I know the

MR. MORGAN: document was assigned to the Committee chaired by Mr. Ray Andrews, the deputy minister, for the Province. But I am of the understanding that the document was left with the officials. It was discussed in detail.

MR. ROBERTS: (Inaudible) or anything else.

MR. MORGAN: So it was a document, then, that was discussed at that meeting. And I further understand that the federal officials involved, and in fact one of them was at the conference last week over in Nova Scotia, where he indicated he was looking forward to further meetings and discussions with my deputy to carry on the negotiation.

As for the present status of the plant, may I inform the House and the member for the area that the Interim Management Committee, which consists of the Deputy Minister of Development, Mr. Clarke, on behalf of the Government of Newfoundland and Mr. Gordon Slade on behalf of the Government of Canada from the Federal Department DRIE, and an official from the Bank of Nova Scotia, that interim management team are indeed meeting today to discuss the operations of various plants, one of them being St. Anthony, because, as you know, it was opened a few weeks ago to get in readiness for the upcoming inshore season and the employees who were then hired had to be laid off again. But I understand they cannot foresee any problem

MR. MORGAN:

of getting everything in place and the plant would be then operated by Fishery Products International until the Northern Fisheries Development Corporation comes into play.

MR. ROBERTS: Supplementary, Mr. Speaker.

MR. SPEAKER (Russell): Supplementary, the hon. member for the Strait of Belle Isle.

MR. ROBERTS: Mr. Speaker, I will not ask the minister about the operation of the plant pending the out-turn of this meeting this afternoon, but I will tell him that all has not been well at the plant and he might want to look into it from that aspect. Although he gave an undertaking to the people of St. Anthony it would be opened and some moves were made, I can tell him that his undertaking has not been honoured, but I hasten to say I am not laying responsibility for that on the minister's shoulders. Again, could he tell us where we are on the negotiations? What he has told us is that there was a meeting and there was a document left, I gather there has been no further or no supplemental response, so I take it the document represents the Government of Newfoundland's position, fine. Has there been any response? I am not asking him for details of what goes on, I very carefully avoided that, what I need to know is is the matter moving and, if so, is it moving with any speed other than that of a glacier?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. MORGAN: Mr. Speaker, again the understanding is that now that the first meeting has taken place at the senior official level and the position of the Newfoundland government was discussed at that meeting, that a further meeting will take place. And I am of the understanding as well that that meeting will take place in the very near future. I am convinced that these kinds of

MR. MORGAN: discussions and negotiations are best in the form of meetings, face to face meeting, more-so than exchanges of correspondence back and forth and letters, telexes, etc. So the understanding is that there will be a further meeting take place in the very near future involving, as I say, the people assigned by this administration, and the people assigned by the federal government to sit down and further pursue the discussions along the lines of getting in place the Northern Fisheries Corporation.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, I have a question for the Minister of Education (Ms. Verge). Considering the terrible way that the federal government is treating Newfoundland, I would like to ask the Minister of Education a question. Now that the federal government has made a presentation to the Government of Newfoundland of Smallwood's Volume I and II, could the hon. minister advise when the government that she is part of will see fit that Volume I will go out into all the schools and educational institutions in the Province?

MR. SPEAKER: The hon. Minister of Education.

MS. VERGE: Thank you, Mr. Speaker.

Yes, I understand that on the weekend at Mr. Rompkey's gala observing our 35th Anniversary of Confederation for this Province, the federal government announced that it has purchased Volumes I and II of Mr. Smallwood's encyclopedia for each of the schools in the Province as well as each of the post-secondary educational institutions. Mr. Speaker, I understand, although I have not heard this directly, that those volumes will be handed over to the provincial government for distribution to the schools. There are approximately 650 schools across the

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MS. VERGE:

Province and I assure all hon.
members that the officials of my department will expeditiously
distribute these books

MS. VERGE: the schools for which they are intended as soon as the department receives them.

MR. BARRY: Mr. Speaker.

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

MR. BARRY: Mr. Spealer I would like to address a question to the Minister of Development(Mr.Windsor). I wonder if the minister would confirm whether he has been refusing to return the telephone calls of this Texas businessman,who is seeking to establish a business in Newfoundland, as reported in The Evening Telegram of March 30. I wonder whether he agrees with this businessman that, "Many people are saying Newfoundland and St. John's is not a good place to locate because there is not a friendly investment atmosphere there", and I wonder if his refusal to respond to this telephone call is doing anything to improve this investment atmosphere?

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

MR. WINDSOR: Mr. Speaker, it is obvious the hon. gentleman agrees with The Evening Telegram, and, also, that he does not do any more research than they do before they print an article. I found it interesting, in fact, in looking at that Evening Telegram on Friday, I believe it was, to find a fairly large article dealing with the phone call from this gentleman in Texas and a very small article dealing with a very major press conference I held on Labrador, announcing a regional office of the Department of Development.

So that shows where the priorities of The Evening Telegram and the hon. gentleman lie. As it relates to the facts in that article, Mr. Speaker, there was one phone call that we can record, to my office about a week ago, when I was not in my office. I was contacted by phone and told that this gentleman had called and would like to speak with me. I said that I obviously could not speak

MR. WINDSOR: with him then and I had my Assistant Deputy Minister, who is a very senior and a very capable official of the department, contact him by phone, which he did, gave him advice and told him what to do. Apparently the hon. gentleman says he tried to call back again, but I have no record of it.

I would not consider that, Mr. Speaker, as ignoring the wishes of anybody who wanted to develop here. I think that putting him on to a very senior official in the department, and having it followed up very quickly, was certainly a very appropriate action, and I am sure that anything that needed to be done, that could have been done, has and will be done for that hon. gentleman, Mr. Speaker.

As it relates to the second half of the hon. gentleman's question, I certainly do not agree with this gentleman that people who come to this Province are discouraged, just the opposite is true. We have had a number of trade missions recently, in fact just last week we had a trade mission from Sweden here who were very, very pleased with the reception that they saw. A number of our businessmen, in fact, met with those people and had some very good dialogue with them. We will be taking a trade mission to New Brunswick tomorrow, Mr. Speaker. Some eighteen of our businessmen will be going there as a follow-up to a trade mission from New Brunswick which came here last year, and those people have had a very good response, as well as hundreds of others who have met with the department, and I can table a whole list of them if necessary.

MR. BARRY: Mr. Speaker.

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

MR. BARRY: Yes, Mr. Speaker, we all realize that the minister is working very hard on his trade missions around the world, and we all see the way we are deluged, Mr. Speaker, with investment as a result of those. It is not safe to walk the streets, Mr. Speaker.

MR. NEARY: Money coming out of your ears!

MR. BARRY: Yes, you are going to be run over by all the people trying to get in from the airport to invest!

I would like to ask the minister, even if he feels that the public employees of government are all that someone calling in to talk to the minister deserve, whether he does not think that even though this may mean only five or six jobs, would he not come down out of his ivory tower for a minute and possibly, if this is what this gentleman wants before he is prepared to invest in the Province, would he be kind enough to make a little phone call - even though it be just a short phone call, Mr. Speaker - to this gentleman who seems to be sincere in his wish to get information, who seems to be interested in talking to the minister directly? Is the minister saying he will not talk to him at all? Finally, Mr. Speaker, does the minister agree that there is this concern in the Texas area, as reported, that many businessmen in the area have heard of the potential off Newfoundland shores but are skeptical about investigating possible potential for their own businesses because of an accepted belief that St. John's is going nowhere? Is the minister aware of this atmosphere in the State of Texas and if in fact this atmosphere is there, is he doing anything to counteract it?

MR. SPEAKER (Russell): The hon. the Minister of Development.

MR. WINDSOR: Mr. Speaker, look who is talking about ivory towers! The hon. gentleman spent most of his political career trying to find his ivory tower. He has not yet identified which one he wants to partake of.

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: Mr. Speaker, I am quite ready to speak with or meet with anybody who wishes to meet with me to develop any development opportunity in this Province and I have proven that time and time again over the past two or three years. I am quite happy to meet with this gentleman or speak with him. But, you know, I have not been in my office for three days, I have been travelling on other government business. It is not unreasonable when somebody calls my office and I am not there for an assistant deputy minister or somebody of that qualification or that stature in the government service to return that call. If that gentleman wants to talk with me, I am only too happy to talk to him but he is taking a very poor approach in trying to get a development going in this Province. I know that he has been given whatever information he needs and I am sure that he has the information available to him now on how to follow up quite properly.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I would like to ask

MR. NEARY: the Minister of Education (Ms. Verge) a question, You know, it seems to me that the Tories have a tendency to shut things down before they have alternatives in place to take care of the removal of these services and so forth. And I refer here to information that was sent out for students interested in pharmacy. Hon. gentlemen are aware we had a pharmaceutical course over here at the College of Trades, the Department of Education did away with it and they were going to start up a four year course at Memorial. Is the hon. minister aware that students have been notified that there is going to be a delay in the implementation of this course and students who have already completed the courses that were prescribed for pharmacy, who wish to pursue a career in pharmacy have no option now but to apply to Dalhousie University for entrance for the next four years? Is the hon. minister aware of that? And if the hon. minister is aware of it, how long has the minister been aware of it? Why was it not possible, rather than have this break between the course that was run over at the College of Trades and Technology before the course got going in the university, why did they discontinue one without having the other one ready to go?

MR. SPEAKER (Russell): The hon. Minister of Education.

MS. VERGE: Mr. Speaker, yes, I am aware of the situation regarding the offering of pharmacy training and education programmes in this Province. Until now, Mr. Speaker, the College of Trades and Technology has been the only institution offering a programme in pharmacy. That programme leads to merely a diploma following three

MS. VERGE:

years of study.

A couple of years ago,

Mr. Speaker, it was mutually agreed by the College of Trades and Technology and Memorial University, with the involvement of the Department of Education, that Memorial University would take over responsibility for providing a training and education programme in pharmacy and would elevate the status of that programme to a full-fledged degree programme following four years, or five years of study to give Newfoundland and Labrador pharmacists the same qualifications as pharmacists studying and qualifying in other Provinces of Canada so that pharmacists receiving their education in this Province would in future be able

MS VERGE:

to move across the country and have their qualifications recognized by other jurisdictions in Canada. Mr. Speaker, according to the original agreement, the College of Trades and Technology discontinued taking students into their diploma pharmacy programme in favour of the university's picking up the pharmacy programme and beginning to admit students. However, there has been a delay in the university's beginning their pharmacy degree programme and officials of my department are now conducting discussions with people at both the university and the College of Trades and Technology to try to arrange for the reinstatement of a pharmacy programme, preferably going ahead with the original agreement of having the full-fledged degree programme at Memorial University. Mr. Speaker, I understand the reason for Memorial's delay in beginning the degree programme is a desire on the part of the university to significantly expand the programme to not only embrace a teaching programme for students but also to add on quite a sophisticated research programme for which, in the opinion of the university administration, additional facilities are required at the university above and beyond the present square footage. And, Mr. Speaker, as I said before, officials of my department are now conducting discussions with people at the university as well as the College of Trades and Technology to try to come to terms with the situation and reinstate admissions into a pharmacy education programme of students for the next academic year.

MR. SPEAKER (Russell):

Order, please!

Period has expired.

The time for the Question

Before we continue, I would like to welcome two groups to the gallery; a delegation from

MR.SPEAKER (Russell): the town council of Belleoram led by the mayor, Orlando Tibbo and William May, as well as a group of students from the Herdman Collegiate in Corner Brook, and their teacher, Mr. Derrick Chaulk.

SOME HON.MEMBERS: Hear, hear!

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

MR.SPEAKER: The hon. Leader of the Opposition on a point of order.

Apparently we have to do this every session, Mr. Speaker, and Your Honour keeps telling us that it is not a point of order. But we are not getting any answers to the written questions. Now, Mr. Speaker, I ask for the guidance of the Chair on this because what is the point, Mr. Speaker, of putting written questions on the Order Paper if we are not going to get any answers? Last session fifty, sixty or seventy questions went unanswered. Now, Your Honour, can probably give us some direction on this. What does Beauchesne and what do the Standing Rules say? We are wasting our time putting written questions on the Order Paper if the administration and the ministers do not have to answer them, Mr. Speaker. The only way I can raise it is through a point of order.

MR.MARSHALL: Mr. Speaker.

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

MR.MARSHALL: Mr. Speaker, that is not a point of order. The hon. gentleman is not allowed to get up in the House and make a speech of that nature in the guise of a point of order when he gets up and says, 'I know it is not a point of order.'

MR.NEARY: Well, I did it.

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MR. MARSHALL:

The fact of the matter is, Mr. Speaker, just by way of information, up to last Wednesday, a few days ago, there were merely eighteen questions on the Order Paper and of that eighteen, I think approximately 40 per cent of them have already been answered. And they will all be answered or most of them in due course.

MR. SPEAKER (Russell):

Order, please!

MR. SPEAKER (Russell): The Chair did recognize the hon. the Leader of the Opposition (Mr. Neary) who rose on what he called a point of order; indeed it was not a valid point of order. I am sure the hon. the Leader of the Opposition is aware that both oral or written questions a minister is not required to answer if he does not see fit to.

ORDERS OF THE DAY

MR. MARSHALL: Order 2, Mr. Speaker.
MR. SPEAKER: Order 2.

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

COMMITTEE OF THE WHOLE

MR. CHAIRMAN (Aylward): Order, please!
MR. NEARY: Mr. Chairman.
MR. CHAIRMAN: The hon. the Leader of the Opposition on a point of order.
MR. NEARY: Mr. Chairman, before you proceed with the calling of the items that will be debated in the House, I wonder if we could establish the ground rules? Now, we know the ground rules we used in debating Interim Supply, but what ground rules apply now, Mr. Chairman? The same ground rules as in Interim Supply or will it be the Standing Orders of the House? We have used both by the way. The Premier can shake his head, we have used both.

MR. MARSHALL: Mr. Chairman.
MR. CHAIRMAN: The hon. the President of the Council.

MR. MARSHALL: It is really incredible, Mr. Chairman. Here it is set out in the Standing Orders of the House. I mean, the hon. gentleman gets up year after year, almost day after day and asks questions, but it is there for the hon. gentleman to see. I do not know if the hon. gentleman can read or not, but if he looks up page 37, that is the one with the 3 before the 7, and looks up Standing Order 118 and you come down, not (1), not (2), not (3), not (4) but you come down to (5), paragraph (5), you will see, "Notwithstanding Standing Order 49, the Minister introducing his estimates and the member speaking immediately in reply shall not speak for more than fifteen minutes and every other member shall not speak for more than ten minutes at a time during Committee of Supply" - and that is where we are now, Mr. Chairman, Committee of Supply - "or during the debate in a committee or committees established under Standing Order 117." So, Mr. Chairman, it is there for the hon. gentleman to see, it is there for the hon. gentleman to read, they are the same rules that have been here for a number of years. These are the reformed rules of the House, Mr. Chairman.

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: So, Head I.

MR. CHAIRMAN (Aylward): Order, please!

Head I.

MR. NEARY: I presume, Mr. Chairman, we are going to get an explanation or some kind of a statement from the minister.

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

MR. MARSHALL: He has fifteen minutes.

DR. COLLINS: Mr. Chairman, I will certainly sit down if the hon. the Leader of the Opposition (Mr. Neary) was recognized by the Chair but I do not think the hon. Leader

DR. COLLINS: was recognized so I do not know what that gratuitous remark was all about. Does the Chairman wish to rule on that in any way?

MR. CHAIRMAN (Aylward): Well the point of order raised by the hon. the Leader of the Opposition (Mr. Neary) has been explained by the Government House Leader (Mr. Marshall). We are operating under Standing Order 118 (5) just to clarify that point.

We are doing Consolidated Funds.
The hon. the Minister of Finance.

DR. COLLINS: Mr. Chairman, Consolidated Fund Services, this covers expenditures made from the Consolidated Fund for the management expenses and service costs to government of maintaining the public debt and also the funding for the pension plans of government and government agencies. In other words, the Consolidated Fund is really the composite fund of revenues of government and out of those funds we must pay things like debt expenses and so on, covering our necessary borrowings, and, of course, we also must take out of that our responsibilities to cover the pensions of the public employees, employees of the Province and the employees of agencies. Mr. Chairman, the total amount in the Consolidated Fund is very nearly \$336 million, just a little bit less than \$336 million. Of that, \$312 million relates to the public debt and \$23.5 million approximately relates to the pension matters I just mentioned. Members of the Committee will note that the vast majority of the expenditures under this heading are statutory. In other

DR. COLLINS:

words, they do not require a vote. The authority has been in Statutes for these payments to be made so we do not require a vote in this Committee. As a matter of fact, of the total amount, as I mentioned nearly \$336 million, the amount to be voted is only \$1.9 million and that relates to ex gratia payments for pension purposes.

Mr. Chairman, I think the main estimates as circulated give fairly clear information on what these various statutory expenditures are about. I might just mention one or two, though, that might give rise to some wonderment, under Treasury Bills, Debt Expenses, it will be noted that the expenditure this year has approximately doubled that in previous years. And the reason for that is quite simple, in previous years we used to auction off \$5 million of Treasury bills each week for thirteen weeks of the year. Last year a decision was made to increase the size of that offering and it was increased to \$10 million a week. I might just say, Mr. Chairman, that the Treasury bills provide government with short-term cash. It is a fairly reasonable cost, Treasury bill auctioning, a fairly reasonable cost to government, but it is short-term money. And we did feel that it was to our advantage to raise a greater amount of short-term money than we previously raised. So that is why the debt expenses are greater but, as I say, it is related to twice the amount of money being raised.

Another one that might give rise to a question is related to Temporary Investment Revenue. The Budget, when it came down in 1983-1984, estimated revenues and Temporary Investment Revenues would be about \$10.25 million. Now this revenue arises from the fact that we have cash on hand pretty well at all times, the cash coming from revenue inflows or from borrowings for capital accounts. We often have cash on hand, sizable amounts quite often, so we invest that until such time as we need

DR. COLLINS: it. And, of course, when we invest we get a return, and that is where this revenue comes from. We estimated we would get \$10.25 million in the budget last year. In actual fact, we got only \$7.5 million. And the reason for that was that there was a delay in our borrowings last year so we did not have as much cash on hand. That was the main reason. The reason for the delay in borrowing was that we went to the market when we felt that it was most advantageous to do so, and that turned out to be later in the year. We originally thought that the interest rates would be suitable in the early part of the year. That did not turn out to be the case, so rather than borrowing at relatively high rates we delayed our borrowing until the rates came down a bit later in the year.

The amount this year we are estimating is \$12.8 million. Those are the revenues we will get from investment of our cash on hand. And we are estimating that increased amount because we will be doing some increased borrowings this year.

Another one that may be worth commenting on now is Recoveries on Loans and Advances. Last year hon. members will remember, of course, that we converted to equity some of our outstanding loans to fish companies, particularly Fishery Products and Lakes. At the beginning of the year, of course, we projected that we would get revenues, we would get interest on those loans. Now when those loans were converted to equity,

DR. COLLINS:

that gave rise to our part ownership in the restructured large fish company, and, of course, we did not get the interest then when we converted those loans to equity. So that is why there was a drop from our projected \$6.5 million in the budget to an actual approximately \$4 million. This year we are projecting \$13 million, and the \$13 million is related to the fact that in the accounts of the Fisheries Loan Board and the Farm Development Loan Board there were amounts, shall we say, lying idle, these were amounts that were not required to give further loans, it was an excess amount so that was brought into the Consolidated Fund.

Mr. Chairman, Issues

under Guarantee: Perhaps I could just comment briefly on that. There are amounts that government had to pay out where a guarantee was given. If everything goes well, of course, government is not called upon to honour the guarantee. Now sometimes we do have to honour the guarantees and this is why there is an amount this year. We budgeted for \$40,000 ; in actual fact the amount of pay-out was \$881,000.

MR. NEARY: You budgeted for \$1 million?

DR. COLLINS: No, only for \$40,000 and it was \$881,000 approximately.

Now there were a number of reasons for that. The main reason is that certain fish companies did get into difficulties so we had to honour our guarantee to the bank. Now when we honour a guarantee to the bank like that, obviously we pay the bank the money but then the amount we pay out is entered on the books as a direct loan to that company. So it is not, shall we say, a total loss to government. If those companies in subsequent years turn a profit, of course, that amount we

DR. COLLINS: paid out has to be returned to government because it is entered on the book as a loan. Now, of course, if a company goes bankrupt, obviously it will not return it. But in those cases we will repossess any assets, we will take over any assets, that are available from the company that went bankrupt.

I think those are the main points I would comment on at this time, Mr. Chairman. I am sure there will be other points come up, points that are germane to this heading, and probably things that are not germane to this heading, and no doubt we will have to answer questions on matters that are far flung from the Consolidated Fund Services. But, anyway, at this point in time, I think those are the points that hon. members of the Committee may wish information on just from looking at the figures in the main estimates, and the other ones, I think, are fairly self-evident.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: Mr. Chairman, after such a lesson in financial matters I hardly know where to start. No doubt about it, we are into heavy financing, Mr. Chairman, we are in heavy financing. And one would have expected as is only natural in this hon. House, for the hon. gentleman to deal with the provincial debt. You would have thought that the Minister of Finance (Dr. Collins) when we are talking about consolidated revenue, heavy financing, life or death as far as the Province is concerned, I know it may sound pretty dry to people listening, but we have to deal with consolidated revenue, which has under its heading the provincial debt. One would have thought that the minister would have outlined how the administration there opposite is managing to cope with the provincial debt. We know that the provincial debt is \$3,600 million. Now

MR. NEARY: the hon. member for Trinity - Bay de Verde (Mr. Reid) may think that that is only loose change, that may be only, Mr. Chairman, a drop in the bucket, but as they say in the United States, 'That ain't hay', \$3,600 million is a lot of do-ra-me. Mr. Chairman, it gives Newfoundland the dubious and the distinct honour of having the highest personal per capita debt in the nation. Is the hon. gentleman aware of that?

MR. REID: Yes.

MR. NEARY: The hon. gentleman is aware of it. Mr. Chairman, is the hon. gentleman aware that every man, woman and child in Newfoundland today,

MR. NEARY: children who are born this very day will be in debt approximately \$7,000 when they see the light of day, born this minute, approximately \$7,000 in debt?

Mr. Chairman, the provincial debt is a pretty hefty debt.

MR. TULK: Staggering.

MR. NEARY: Staggering it is. I will go as far as to say that it is unmanagable, and only for we are a Province of Canada, if we were not a Province of Canada today my hon. friend is aware that we would be bankrupt. Is my hon. friend aware of that, that the administration there opposite cannot pay their bills? They cannot pay their ordinary housekeeping, day-to-day expenses, the hon. gentleman is aware of that, is he?

MR. REID: Who set up our debt from the beginning?

MR. NEARY: Who set it up? Well, let me deal with that. Now I have dealt with it on previous occasions, but I will deal with it again just for the benefit of the hon. gentleman who was decent enough to ask me.

MR. TULK: He seems like a half intelligent gentleman.

MR. NEARY: Yes, he seems like a half intelligent gentleman who understands high financing. In 1972, when the government changed hands -

MR. TOBIN: Before that.

MR. NEARY: No, we will go back to 1972. The total provincial debt at that time was between \$700 million and \$800 million. I know the hon. gentleman knows that but he asked me so I will be good enough to present him with the figures. Somewhere close to \$800 million.

MR. NEARY: Now fourteen years later,
under a Tory Administration -

MR. CARTER: A point of order, Mr. Chairman.

MR. CHAIRMAN (Aylward): A point of order, the hon. the
member for St. John's North.

MR. CARTER: I think it is important that the
Leader of the Opposition (Mr. Neary) relate that figure of
\$800 million in 1972 dollars to the greatly inflated 1984
dollar. There must be a multiplication factor of four or
five of 1972 dollars in terms of 1984 dollars. That should
be taken into consideration.

MR. CHAIRMAN: Order, please! To that point
of order, each member of the House will have the opportunity
to debate the figures that are mentioned, so I rule that there
is no point of order.

The hon. the Leader of the
Opposition.

MR. NEARY: Mr. Chairman, I was pointing
out for the benefit of my hon. friend, who was good enough
to ask me a question, and I am glad he did because he knows
that there may be hon. gentlemen over there who may not
understand the provincial debt.

MR. TULK: Such as the member for St. John's
North.

MR. NEARY: Such as the member for St. John's
North, who just got up and tried to sidetrack me and made a
complete jackass of himself. Is that parliamentary, Mr. Chairman?
No, I withdraw it. It may not be parliamentary.

MR. TULK: A fool. A fool.

MR. NEARY: No, you cannot call him a fool
either.

MR. NEARY: But anyway, I am not going to be sidetracked. I want to give the information to the hon. gentleman if I can. It was below \$800 million, but then the Tories took over in 1972, January 18. And since January 18, 1972 the provincial debt has climbed, escalated, skyrocketed to \$3.6 billion. An astronomical figure, \$3,000,600 million.

MR. TULK: Five times as much.

MR. NEARY: That is five times as much as it was in 1972, and not a thing in this world to show for it, that is the tragedy of it.

MR. CARTER: That is not true! Not true!

MR. NEARY: Now, Mr. Chairman, for the benefit of the hon. gentleman, again, who was good enough to ask me, let me point out three items for the benefit of the hon. gentleman, three items that added substantially to the provincial debt, three items only that had nothing to do with Mr. Smallwood, had nothing to do with a Liberal Administration, nothing at all in this world, but decisions made by a Tory Administration

MR. NEARY:

there opposite, three items alone that cost over \$1 billion added directly to the direct debt of this Province. And what were these three items? What were they? The hon. gentleman, I am sure, knows and if he could get up would give me the answer. Three items that added \$1 billion that had nothing to do with the Liberals. Number one was the nationalization of the Churchill Falls Corporation.

MR. RIDEOUT: That had a lot to do with the Liberals.

MR. NEARY: The hon. gentleman supported an administration that took the unprecedented step of nationalizing the Churchill Falls Corporation and kicking out of Newfoundland the best corporate citizen we had at that time. What did that cost, Mr. Chairman? I am not sure of the exact figure, and I want the Minister of Finance (Dr. Collins) to tell us, but I would have to hazard a guess. The hon. gentleman should produce the figure now and put it on the table of the House. I would say so far it has cost \$400,000,000 or \$500,000,000 and, as Mr. Smallwood said the other day, not a mouse kilowatt of electricity to show for it, not a thing to show for it, nothing. It accomplished nothing.

MR. CARTER: It turned his (inaudible).

MR. NEARY: Mouse power. Not one kilowatt of mouse power let alone horsepower.

AN HON. MEMBER: That is dangerous ground.

MR. NEARY: Is it dangerous ground? And let me say this to the Committee, by the way, in case it escapes the attention of hon. gentleman over there who are experts in high financing, that this year we would have had \$10 million or more, upwards of \$10 million going directly into the treasury as revenue from the Upper Churchill, \$10 million profit, cash, going into the provincial coffers if they had not nationalized the Churchill Falls Corporation.

MR. NEARY: But now, instead of having \$10 million revenue in we are having millions of dollars going out in interest on the principal. I doubt if we have paid the principal, but millions going out on interest. So instead of having a profit this year of \$10 million or \$11 million, that we could use, it is costing the taxpayers more than we are taking in this year.

Now, the hon. gentleman would have to agree that that has to be one of the colossal blunders in Newfoundland's history. I would not mind if we accomplished anything, if we got more horsepower or if got control of the headwaters, or rivers or whatever it was they were trying to do at that time. If we had accomplished that I would say well and good. But we accomplished nothing except we are paying out on the dead taxpayers' money whereas we should have a surplus this year, a profit of \$10 million.

The hon. gentleman I am sure is aware of that. I should not have to say it. But these are the facts.

DR. COLLINS: I hope this garbage does not get in the papers.

MR. NEARY: It is not garbage, Mr. Chairman, it is an absolute and irrevocable fact and the hon. gentleman cannot deny it.

Now I have two more items I was telling the hon. gentleman about down there. One other item was the setting off of two explosions on either side of the Strait of Belle Isle to start commencement of the development of the Lower Churchill before the 1975 general election. The hon. gentleman surely must remember that. Was that Mr. Smallwood who did that, who went down and pushed the - what do you call those things you push that sets off an explosion?

MR. NEARY: What do you call these? Not batteries,chargers - is it? - set off the chargers.

DR. COLLINS: Plunger.

MR. NEARY: Plunger. Was it Mr. Smallwood who did that? What that a Liberal who did that or was it Mr. Frank Moores who did that?

Now, Mr. Chairman, how much did that cost the taxpayers of this Province? These two holes in the ground, one at Yankee Point and one at Pointe Amour, how much did these two holes in the ground cost the taxpayers for Mr. Moores and the Tories to try to win that election? Would hon. gentlemen care to hazard a guess? And now they are auctioning off the equipment, the bunkhouses, etc., they had down there.

MR. TULK: \$100 million, I would say.

MR. NEARY: Mr. Chairman, my hon. friend may be close, but I would say at the moment that is closer to \$200 million, between \$150 million and \$200 million, and the hon. gentleman should lay that figure on the table of this House unless he is too ashamed to do it.

So now we are talking there about a half billion dollars, between these two little projects, these gigantic blunders. But, Mr. Chairman, the hon. gentleman may also be interested, because it has been the subject of great controversy in this House, the nationalization

MR. NEARY: of the Labrador Linerboard mill and the logging operations. Does the hon. gentleman know how much that cost the taxpayers of this Province?

MR. REID: I have not heard.

MR. NEARY: A half a billion, \$500,000,000.

DR. COLLINS: You have a nerve bringing that one up!

MR. NEARY: Yes, I certainly have got a nerve to bring that one up, Mr. Chairman, it was unnecessary, should not have been done; it was foolhardy and stupid. It was one of Mr. Crosbie's vendettas.

DR. COLLINS: A monument to carpetbaggers.

MR. NEARY: Mr. Crosbie's vendetta, that is what that was.

So these three projects alone: the Linerboard mill would have gone ahead if we had not nationalized it as quickly as we did - \$500 million of taxpayers' money down the tube; three projects \$1,000 million, \$1 billion, and not a Liberal involved. Now, that is the sort of mismanagement and gross error in judgement that the administration there opposite should -

DR. COLLINS: Those are not all the costs.

MR. NEARY: Pardon?

DR. COLLINS: I could bring up a few other costs.

MR. NEARY: Well, bring up a few other costs, Mr. Chairman. Bring them up! Put them on the table! \$1,000 million for these three projects! Is it any wonder the hon. gentleman, when he introduced Consolidated Revenue, was too ashamed to talk about the provincial debt and how they are managing it? And what is happened to the sinking fund? Do we have a sinking fund anymore?

MR. WARREN: How about Come By Chance, 'Steve'?

MR. NEARY: Come By Chance? Well, at Come By Chance we lost \$47 million as a result of the continuation of Mr. Crosbie's vendetta.

DR. COLLINS: I forgot that one.

MR. NEARY: Yes, you forgot that one. Another vendetta. No need of it being shut down. It was shut down because it was Liberal, because they did not like the gentleman who was close to Mr. Smallwood. Mr. Chairman, do you realize what the personal, political vendettas of Messrs. Crosbie and the present Government House Leader (Mr. Marshall) have cost the people of this Province? No wonder they do not want the press to pick up what I am saying! It is factual and true and can stand scrutiny in this House. They can use weasel words and they can play with words all they want, the fact of the matter is that it is a matter of public record, Mr. Chairman, and there is no way that they can weasel their way out of it.

What about the sinking fund? Have we given up the sinking fund? We no longer have a sinking fund, at least I do not see it here in the estimates, Mr. Chairman.

MR. WARREN: What about the Murray Premises?

MR. NEARY: Well, we are not going to talk about the Murray Premises and all the industries that have been closed down.

Mr. Chairman, let me come back to a couple of things -

MR. CHAIRMAN (Aylward): Order, please!

The hon. member's time has elapsed.

MR. NEARY: Fifteen minutes, Sir?

MR. CHAIRMAN: Fifteen minutes, yes.

MR. WARREN: By leave? By leave?

MR. NEARY: No, that is alright, I will come back to it again.

MR. CARTER: Mr. Chairman.

MR. CHAIRMAN (Aylward): The hon. the member for St. John's North.

MR. CARTER: Mr. Chairman, I think the House ought to be made aware that the Leader of the Opposition (Mr. Neary) suffered a rather severe car accident this morning on his way to the committee meeting and, therefore, although he did not damage his head directly, there must have been a certain amount of whiplash involved and, therefore, that may explain why he is making a little more sense than he usually does; but I think he should be excused for his outburst because of that accident. Perhaps in a few days time after some rest and if he sits down long enough with his Liberal colleagues, that may help him to recuperate.

Now, Mr. Chairman, one of the points that ought to be made - I make it every year; it is seldom picked up in the press and yet it is implicit in the figures that are presented to us in the budget - is that Newfoundlanders pay Ottawa each year something in excess of \$1 billion cash money out of our pockets, and the figures are here to prove it. I will go over them very briefly.

This afternoon seems to be a time for talking in billions of dollars. Gone are the days when we used to talk about millions. Really, if you look after the millions, the billions will look after themselves.

On page eleven of the Budget book that we use, it says here that the retail sales tax brings us in \$345 million, it is projected to bring us in \$345 million this year.

MR. CARTER: Now, Mr. Chairman, in addition to retail sales tax there is also a federal sales tax, and the federal sales tax is on rather more things, on more items than the provincial sales tax; therefore, I am taking a very loose figure; since the provincial sales tax is projected to bring in \$345 million, I am taking a very conservative, loose figure of \$300 million for the federal excise tax. That is \$300 million.

MR. CARTER: that we pay out of our pockets each year on the things we buy. So that money was in our pockets, it came out of our pockets and it found its way to Ottawa. This is not a book entry. This is not money we might have gotten; this is money we had, money we spent and money that went straight to Ottawa, \$300 million.

The next item is personal income tax. Personal income tax here, Mr. Chairman, projected for this year is \$280 million. I am suggesting that since provincial income tax is 59 per cent of the federal tax, therefore I am projecting a figure of \$400 million of federal income tax. This is money that people earn as salary. It presumably goes into their pockets, or would have gone into their pockets, but, no, it goes straight to Ottawa: \$300 million and \$400 million make \$700 million.

The next item is gasoline tax. We are projecting to take in \$67 million this year. Again I have been conservative, and I am saying that the federal share of the gasoline tax is about \$50 million. So each time you pull up to the tank and fill up your car you are paying cash money to Ottawa. Some of that money that you pay for gas goes directly to Ottawa and I think I would be safe in saying that around \$50 million goes to Ottawa from that one item.

The tobacco tax is projected to bring in \$41 million to Newfoundland. There is also a federal tobacco tax. And I would suggest there that \$25 million is a fairly conservative figure. I am rounding these figures, I may be up a bit in one and down in another, so I think I am safe in saying \$25 million to round it off. Corporate income tax is projected to be \$40 million; 11 per cent of the corporate tax comes in provincially. So that \$40 million represents 11 per cent. So I think we are safe in saying about \$200 million goes to Ottawa to pay the corporate income tax. Now a corporation cannot pay their tax unless they have made money. They cannot make money

MR. CARTER: unless people have spent money, and if people have spent money, that money has come out of their pockets, gone to the corporation and gone into Ottawa as corporation tax.

So there is one more heading here, the Newfoundland Liquor Commission, projected to make \$70 million, I have put down a figure of \$50 million as Ottawa's share. Now the total of those few items, and I have left out some other items that are rather smaller for the sake of brevity, is \$300 million for retail sales tax, plus \$400 million for personal income tax, that is, \$700 million, plus \$50 million for gasoline tax, \$750 million, plus \$25 million for the tobacco tax, \$775 million, for corporate income \$200 million, that is \$975 million, for Newfoundland Liquor Corporation \$50 million, that is \$1,025 million, I will round it off, No one will argue with me if I say it is \$1 billion, \$1 billion of cash that comes out of our pockets and goes straight to Ottawa; not a book entry, cash, it comes right out of our pockets.

Then, Mr. Chairman, what is it that Ottawa pays us back directly? It pays us back \$569 million, this is projected for this year, that is the tax equalization; \$203 million for the established programmes financing grant, that is a total of, give or take a few million, \$750 million. So \$1 billion goes to Ottawa and they pay us back three-quarters of a billion. I would ask who is making the profit? Who is doing well out of it? There is a deficit of \$250 million. Not it is perfectly true that Ottawa pays the federal civil servants, it operates Air Canada, it operates the Canadian National Railway, there is the old age pension and the baby bonus. No one is suggesting these are not worthwhile items. But we cannot talk about the unemployment insurance. Even though that is a federally administered

MR. CARTER:

corporation, it is suppose to be self-financing, it is not entirely, but it is suppose to be. So the fact that we may get great benefits from the Unemployment Insurance Commission cannot enter into any sum that any one would care to talk about.

So there is \$1 billion, and I have been very conservative on this. We have \$1 billion paid out and three-quarters of a billion paid in, \$250 million profit from direct collection from Newfoundland to Ottawa, and we are suppose to be a have-not province. I would love to get the figures for Ontario and perhaps I should. I am sure I could, so perhaps I should. And I would ask the Minister of Finance (Dr. Collins) at some point to put one of his officials to work on these figures so that the precise figure can be gotten, I had to round it off, I do not have access to the exact amounts, the dollars and cents.

DR. COLLINS: I have rounded it off, I have been very conservative, I am sure that the actual figure is much higher than that.

Well, there you have it. One billion dollars paid out, \$750 million taken in, and I think there is a definite deficit charged up against Newfoundland. It is too bad, it is a poor way to run a railroad, and I think it is a pity that Newfoundland should have to suffer from such a formula. Surely a more equalized equalization formula could be thought up. Forgetting about the offshore, forgetting, for the time being, about the Churchill Falls fiasco, we lose \$250 million on our dealings with Ottawa as far as this budget is concerned and I think it is a crying shame.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: My advice to the hon. gentleman is to go down and join Mr. Devine in his crusade to lead Newfoundland out of Confederation, because really that is what the hon. gentleman is saying indirectly. He does not have the courage to say directly what he means, Mr. Chairman, he says it indirectly. Now if the hon. gentleman had been a man he would have been down the other night even if he carried a placard outside of Hotel Newfoundland. At least he and the Government House Leader (Mr. Marshall) there opposite should have turned up for that Confederation gala because, Mr. Chairman, the hon. gentleman who just got up and made these silly, irresponsible, stupid, nonsensical statements gets half his salary from the people of Canada. Fifty per cent of the hon. gentleman's salary in this House comes from the people of Canada. Fifty per cent of the Premier's salary, my salary, all the members salary, 50 per cent comes

MR. NEARY: from the people of Canada, a cheque sent down every month to the public treasury, sent down by the people of Canada, Mr. Chairman. Now, the hon. gentleman conveniently left out federal public servants, federal buildings, railroad employees. Mr. Chairman, he conveniently left 300,000 cheques. Three hundred thousand federal cheques flow into this Province every month from the Government of Canada. In case it has not sunk in yet, 300,000 cheques. Now these are all indirect payments.- these are payments that the Province benefits by, that is what I mean by indirect. These cheques come directly from the people of Canada to the people of Newfoundland and Labrador; family allowances, Canada pension, old age pension, veteran allowances, unemployment insurance benefits, disabled allowances. Mr. Chairman, 300,000 cheques a month. It would boggle the mind when you think about it, 300,000 of these cheques. But in addition to that, in addition to these cheques going into wages in the public servants pockets - federal public servants, Mr. Chairman - in addition to that we have equalization grants, a cheque made out every month by the people of Canada deposited with the Minister of Finance (Dr. Collins) in this Province. Almost \$600 million this year. Established programme funding, I will put the two of them together, you are talking about close to \$800 million. These two items alone, cheques sent down to the Minister of Finance who deposits it in the Bank of Montreal on behalf of the people of the Province.

DR. COLLINS: Are we the only province who gets those?

MR. NEARY: No we are not.

MR. POWER: B.C. is getting them.

MR. NEARY: Yes. As a matter of fact, Ontario

MR. NEARY: qualified as a have-not province but refused to take equalization payments there a couple of years ago. I do not know if they still do or not.

But the point I am making, Mr. Chairman, is this, that the people of Canada every year, this year, last year, next year, send here to Newfoundland somewhere between \$3 billion or \$4 billion, somewhere in between, to the people of this Province.

MR. CARTER: Would you mind documenting that?

MR. NEARY: Yes, I could document it if I wanted to.

MR. CARTER: You cannot.

MR. NEARY: It is very easily documented.

Mr. Chairman, the hon. gentleman says he has not been quoted. He is complaining, whining because the press has not picked it up. His statements are so silly and so foolish and so stupid that no wonder the press do not report him.

MR. NEARY:

If they did report him the hon. gentleman would only show himself for what he is, and that is a financial ignoramus. So let us hear no more. As anti-Confederate and as anti-social and as anti-Canadian as the Government House Leader (Mr. Marshall) is, he would never make a statement as silly and as foolish as that one. The hon. gentleman has better sense than to get involved in high financing when he knows that the hon. member for St. John's North (Mr. Carter) was in over his ears.

Now, Mr. Chairman, I want to come back to a couple of things that the Minister of Finance (Dr. Collins) said earlier when he introduced his estimates, when he introduced this topic, Consolidated Fund Services. I would like to know about the sinking fund. What has happened to the sinking fund? Do we have one now or has that been abandoned by the administration there opposite? There was always a sinking fund. So much every year would be taken out of Consolidated Revenue and put into a sinking fund to service the provincial debt. What has happened now? We are just taking it out of Consolidated Revenue as we need it, that is what it looks like to me. That is not a very pleasant situation. Now the hon. gentleman also told the House about loans and guarantees, and I believe the hon. gentleman has issued, indirectly, under his breath, he was sending out a message, he was sending out a warning to all those people who owe money to the Farm Loan Board and to the Fishery Loan Board.

Beware, the hon. gentleman told us.

MR. PATTERSON:

Beware the Ides of

March.

MR. NEARY:

The government budgeted last year in loans and guarantees for \$40,000 and they ended up paying out \$881,000 in loans and guarantees. In other words, fish plants and other businesses that the government have gone on the back of a note for could not even pay the interest, because when the bank calls on the government to honour their note, to honour their commitment or their guarantee, that means they cannot even pay the interest on them let alone the principal. So \$881,000 had to be lashed out last year in loans and guarantees for businesses that could not honour their commitment, their obligation to the taxpayers of this Province.

MR. DINN: How many businesses have one year loans? Would you call for a one year loan?

MR. NEARY: Mr. Chairman, I am not arguing whether it is for one year or ten years or what it is for. The fact of the matter is, the figures are there, we cannot deny it, they budgeted for \$40,000 and they ended up paying out \$881,000. But what the minister said under his breath, this year, he said, this year we are going to crack down on people who owe money. Because what he said was that they would be lying there. He said some of these loans and guarantees have been lying dormant there and have not been collected. Now the first question I have to put to the minister on that subject is give us a list of the companies that defaulted on their loans and guarantees last year. The Committee is entitled to have that. The minister already told us about the big fish companies, but I

MR. NEARY: would imagine there are a lot of small independents and companies other than fish companies involved here, and the minister owes it to the taxpayers who are footing the bill to give us a list of these companies where the government had to pick up the tab for the \$881,000 in loans and guarantees. And the hon. gentleman, Mr. Chairman, when he is on his feet, should also give us a list and the amounts outstanding, the statutory amounts that are outstanding. I am interested, for instance, specifically here, in Confederation Building, I believe

MR. NEARY: this year or next year
Confederation Building will be paid for.

Mr. Chairman, the hon.
Minister of Labour and Manpower (Mr. Dinn) looks
across at me like Buggs Bunny, Mr. Chairman, am I
right or am I wrong? I am asking the Minister of
Finance (Dr. Collins) to make a note there, to give
me the information, is Confederation Building paid
for? Will it be paid for this year or next year?

DR. COLLINS: This year.

MR. NEARY: This year. What a magnificent
accomplishment. I remember when Confederation Building
was opened, when the Tories were brought up into the light
of day from the dungeons down in the old Colonial
Building, the darkness and the drugery of the old Colonial
Building, and brought up into the light of day, Mr. Jim
Greene was Leader of the Opposition at the time, who
came in and condemned the government, both him and the
hon. W.J. Browne who was a member of the House at that
time, told us, "This is the end of Newfoundland. She is
gone. The government is gone berserk, they are gone off their
heads. They have committed the people of Newfoundland to paying for
this building, this monument to Liberalism. The people
will have to pay for it, we will never get out of debt
again." Crosbie came later, Mr. Browne and Mr. Greene
ranting and raving here I remember it so well, sitting
down where the member for Windsor-Buchans (Mr. McLennon)
is sitting now, I came in after the building was open,
telling us, "You are gone mad. You are going to bankrupt
the Province."

MR. CHAIRMAN (Aylward): Order, please! The hon.
member's time has elapsed.

MR. CHAIRMAN (Aylward): The hon. the Minister of Finance.

DR. COLLINS: Mr. Chairman, the hon. the Leader of the Opposition (Mr. Neary) asked a number of things and I will try to cover them as to the extent I can in the time allotted.

First of all, just let me comment on his accusation that every time someone in this Province stands up for our rights under the Constitution, our provincial rights, you know, we are called an anti-Confederate, you know, as though we are the only ones to do that. I presume that if the hon. Leader of the Opposition was in Alberta, from 1910 to 1930 when the Albertans were saying, you know, "The federal government own our natural resources here, all other provinces own their own natural resources, we should have ours." He would have said, "Oh, well, you Albertans, you are just anti-Confederate." And if he was in Saskatchewan in the same period and they made the same argument, he would obviously come out and say, "Oh, you are just anti-Confederates, wanting something from the federal government," even though you are only asking what every other province has gotten. Or if he was in Quebec, for instance, when Quebec was making a pitch that they would get the Northlands before 1912, and Ontario too, and they were making a pitch to get these, I presume he would have said, "Oh, you are just anti-Confederates," and so on. Or would he? I suspect, if you really pinned him down, he would say, "Oh, no, no, I do not mean the other provinces are anti-Confederate, only Newfoundland, and only the PC Party in Newfoundland are anti-confederate."

DR. COLLINS: He would have a very unique type of interpretation on what is an anti-Confederate. If a Liberal in Saskatchewan claims something he is not anti-Confederate, if a PC in Newfoundland claims the same thing he is anti-Confederate. I think that is the way his reasoning would work.

Anyway, there is no one on this side of the House who is an anti-Confederate. But I will tell you what we are, we are anti the present Terms of Union and we want to get them changed. The present Terms of Union were negotiated by what ultimately turned out to be a federal administration and they have been proven to be the most abject nonsense, whereby we gave away our fisheries without any control over it, we gave away any claim we had to the offshore without any control over it, we gave away the possibility of transmitting power out of the Province without any ability of getting rights to transport it across provincial boundaries. I mean, the Terms of Union are so abjectly bad for this Province that it is incredible that the so-called Fathers of Confederation are not run out of the Province on a rail. But ultimately we will get our Terms of Union changed so that we will have the rights in Confederation that all other provinces have.

Now getting down to a few specifics, the hon. the Leader of the Opposition (Mr. Neary) mentions that we have the highest per capita debt of all provinces, that

DR. COLLINS:

if you take our total debt, our total public sector debt, and divide it by the population, that it comes out to the highest figure of all the provinces. Now, like so many of the things the hon. Leader of the Opposition (Mr. Neary) says, that is total, utter rubbish, that is not true. You know, so many of his facts are so rubbishy and so incorrect that, you know, it takes all of your time to keep up with him. I would like to point out that our public sector debt at the most recent calculation available, on a per capita basis is just less than \$6,000 per capita. It is \$5,960.90 to be precise.

Now let us look at Quebec's per capita debt. What do you think Quebec's is? Quebec's is \$6,775.10. Now in my books \$6,775.10 is greater than \$5,960.90. Perhaps I am going by the old math, but I suspect that even by the new math or the old math that is correct. So Quebec has a higher per capita debt than we have. Now let us look at Manitoba. Manitoba's is \$6,008. Again, by my books, I think \$6,008, that is the per capita public sector debt owed in Manitoba, that seems to me it is higher than \$5,960.90. So Manitoba is greater than ours. And then we come to Newfoundland and then we look at New Brunswick, New Brunswick is less than Newfoundland, Newfoundland is \$5,960.90, New Brunswick's is \$5,775.90. In other words, there is a difference there of less than \$200. The next one is Nova Scotia, and again they are over \$5,000. So we are not the highest, we are the third highest and there are two other provinces very close to us. Now is that not a somewhat different impression than what the Leader of the Opposition said? Now I hope one does not see in the newspapers, 'Newfoundland has highest per capita debt in the country,' I hope we do not see that, although we tend to see any statements made by the Leader

DR. COLLINS: of the Opposition (Mr. Neary) in certain newspapers written as the gospel truth, I hope we do not see that. I hope we will see facts and not garbage.

Now, Mr. Chairman, the hon. Leader of the Opposition also left the impression that our public sector debt is out of hand.

MR. NEARY: Right on.

DR. COLLINS: I would just like to bring a few points out on that if I can find them here. Yes, here we are. When this administration took office the public sector debt was roughly \$2.4 billion.

MR. NEARY: I beg your pardon?

DR. COLLINS: \$2.4 billion when this administration -

MR. NEARY: Back in 1972?

DR. COLLINS: We did not take office in 1972, this administration took office in 1979.

MR. NEARY: 1972 your administration took office.

DR. COLLINS: No, no, This administration took office in 1979.

MR. NEARY: The Tory administration I am talking about.

DR. COLLINS: No, I am talking about this administration. I mean, you can talk about any administration you want, I am talking about this administration. This administration is the Peckford administration.

MR. NEARY: That is amazing!

MR. CHAIRMAN (Aylward): Order, please!

DR. COLLINS: And as far as I know the Peckford administration took office in 1979.

MR. NEARY: You are disassociating yourself from Premier Moores.

DR. COLLINS: So when this administration took office in 1979 the public sector debt was \$2.4 billion, approximately, it was actually \$2,411 million. Now the next year it went up to \$2,567 million. Now, Mr. Chairman, that was an increase of 6.5 per cent. In that one year the public sector debt went up 6.5 per cent. Now, Mr. Chairman, what did the CPI go up that year, what did the cost of living, which is an index of the value of money, go up?

AN HON. MEMBER: 11.2 per cent.

DR. COLLINS: No,

DR. COLLINS: that particular year it went up 7.5 per cent. That was 1978/79. So our public sector debt 6.5, CPI went up 7.5. In other terms, in relative terms, in real terms the debt came down.

Now, Mr. Chairman, if you run through the various years you see the public sector debt going up 6.2 per cent when CPI went up 8.1 per cent, public sector debt went up 6.3 per cent when CPI went up 9.8 per cent, public sector debt the next year, I am now from 1981 to 1982, went up 8.4 per cent, CPI went up 11.6 per cent. 1982/83 it went up 8.5 per cent, public sector debt, CPI went up 13.4 per cent. In other words, the point I am making is that up to last year the public sector debt increased yearly on a percentage basis less each time than the CPI. So the debt is not out of control. The debt in actual fact, in real terms is coming down and it is due to the good management of this government.

SOME HON. MEMBERS: Hear, hear!

DR. COLLINS: Now, Mr. Chairman, I said up to last year. Last year for the first time the public sector debt went up by 7.4 per cent and that was greater than the CPI, because the CPI is estimated to be 6.8 per cent. So except for the depth of the depression - we can call it the depression, but certainly a very severe recession, except for the depth of a very severe recession our public sector debt decreased in real terms ever since this administration has been in office.

MR. CHAIRMAN(Aylward): Order, please!

The hon. minister's time has elapsed.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: Mr. Chairman, first of all I want

MR. NEARY: to deal with the anti-Confederate, anti-Canadian statements that I made, that I am prepared to stand by, because I believe there are two categories of members on that side of the House.

There is one category who believe in what they are doing, that are sincere. Now they may be wrong, Mr. Chairman, they are positively wrong, but they believe in what they are doing. But there are three gentlemen over there in particular and I will name them if you want, Mr. Chairman, three in particular: There is the Minister of Finance (Dr. Collins), there is the Government House Leader (Mr. Marshall), and there is the member for St. John's North (Mr. Carter). I do not think by any stretch of the imagination that you could say that either one of these gentlemen are a good Canadian.

Now, the Premier and his lap-dogs, Mr. Chairman, I think they believe in what they are trying to do. They are wrong, and their judgement is wrong, and they are on a disaster course, and their policies are wrong, and, unfortunately in the process the Premier, in trying to brainwash people, does sometimes make statements that would lead one to believe that he is anti-Confederate and anti-Canadian, no doubt about that. There is no doubt about that, Mr. Chairman. And that is unfortunate and tragic, because it sort of fans the fire of discontent and gives comfort to anti-Confederates, to Mr. Devine and his group. And no doubt the member for St. John's North will be down with his pledge, if he has not already been down, to Mr. Devine.

But the three gentlemen to whom I referred, the Minister of Finance, Mr. Chairman - I do not believe Your Honour is an anti-Confederate, or is anti-Canadian, and if Your Honour could speak and tell me I am sure that he would say, 'No, I am a good Canadian.' I

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MR. NEARY: do not believe the member for
Exploits (Dr. Twomey), who as a young doctor travelling
the outports of this Province

MR. NEARY:

saw conditions the way they were in Newfoundland, who tried his best to deliver health care services to people in need, to sick people. The hon. gentleman, if he wanted to, could get up and tell us horror stories in this hon. House, Mr. Chairman. And I am sure that hon. gentleman is not anti-Canadian and not an anti-Confederate. But these three I single out, Mr. Chairman, and the Minister of Finance (Dr. Collins) by his very statement in this House this afternoon; he told us that the Fathers of Confederation should be run out of town on a rail for negotiating the Terms of Union.

DR. COLLINS:

Right.

MR. NEARY:

Now, Mr. Chairman, let me remind hon. members of this House that none other than the Emperor himself, sitting across from me, when he came back from the Conference on the Constitution, when he returned from the battlefield in Ottawa, he told us that he was the one who managed to work out the formula, the compromise for the adoption of the constitution. It was he, and he alone, he told us, and I do not know but there were Tories gathered at the airport to greet him when he arrived.

MR. DOYLE:

They did, yes.

MR. NEARY:

That is right, a handful.

MR. DOYLE:

And rightly so.

MR. NEARY:

And now the Minister of Finance is telling us, what the Minister of Finance is saying, Mr. Chairman, is, 'Mr. Premier, you let us down. You had an opportunity to renegotiate the Terms of Union, to get things put into that constitution, but you were so anxious, you were so carried away; you were so anxious to show to the rest of Canada what a great man you were, that it was your formula that brought about the compromise, that you

MR. NEARY: overlooked getting all these things into the new Constitution of Canada that we should have had in the Terms of Union.' That is what the hon. gentleman is saying. Mr. Chairman, how silly and foolish and nonsensical can you get? You know, it is a wonder I do not get an ice cube in the side of the head today for some of these things that I am saying to contradict what the hon. minister said. I thought last week we would have to start wearing hard hats in this House. I will dispense with that. I think I have exposed the hon. gentleman for what he is. Why does he not get up man-fashion and say that he is an anti-Confederate and that he is anti-Canadian and have the Government House Leader (Mr. Marshall) and the member for St. John's North (Mr. Carter) do the same thing, Mr. Chairman.

Now, Mr. Chairman, let me deal with the matter of the personal per capita debt. I do not know what figures the hon. gentleman used, but if his figuring is the same as he uses in the budget, Mr. Chairman, no doubt he has cooked the books again. The official population of this Province is 565,000 souls.

DR. COLLINS: No, you are 'way out!

MR. NEARY: Oh, I am 'way out! - 565,000 souls divided into \$3,600,000 will give you, Mr. Chairman, a per capita debt of almost \$7,000, a little less than \$7,000 for every man, woman and child in this Province.

DR. COLLINS: Not correct!

MR. NEARY: It is correct. Nobody can deny it, Mr. Chairman.

DR. COLLINS: Do you know what the population was in June?

MR. NEARY: The hon. gentleman is manipulating the figures again, cooking the books as he did last year and

MR. NEARY: the year before when we told him there was going to be a deficit in current account, three years in a row, a deficit in current account; he cooked the books and now he is trying to cook the figures again. Mr. Chairman, let me say this, by the way, that the hon. gentleman again tried to disassociate himself, to put distance between this administration and the last Tory administration. The statement that I made was, since the Tories took over on January 18, 1982, the provincial debt has gone up five times what it was on January 18, 1982 - not one time, not twice, not three times, not four times, has gone up five times.

DR. COLLINS: 1972, not 1982. Incredible.

MR. NEARY: It has gone up five times, Mr. Chairman. And the hon. gentleman gets up and says to us, 'Since we took over the debt has only gone up by a little over \$1 billion, \$1,000 million.' Now, Mr. Chairman, are we getting senile or do we have cataracts that we cannot see the other side?

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN (Aylward): Order, please!

MR. NEARY: Or have we been here too long? Is our memory too good for hon. gentlemen? Because I have a feeling, Mr. Chairman, that the Government House Leader (Mr. Marshall) was a member of that previous administration.

MR. NEARY:

And I have a feeling there are a number of ministers over there, including the Premier, who was a lapdog for Mr. Moores, who now will not acknowledge him, will not accept his phone calls, will not let him in the office for an appointment, will not talk to him about anything. Mr. Chairman, what gall! They have the face of a robber's horse to stand over there and tell you that this administration only increased the public debt by a little over \$1 billion, \$1,000 million. Mr. Chairman, even the Government House Leader (Mr. Marshall) has to smile at that. That is the slickest piece of manouvering that I have ever seen by the Minister of Finance (Dr. Collins), although he had a job to get up to it. I know that his hands were trembling and his voice was trembling and he had a job to get it out with a straight face.

He knew he was trying to dupe the people, trying to get some figures quoted in the press that will neutralize what I am saying here today, that would be a rebuttal. At least he would try to neutralize it. The fact of the matter is that the blazing headline in the newspapers tomorrow should be Provincial Debt \$3,600 million. Unmanageable. The personal per capita debt almost \$7,000 for every man, woman, and child. That should be the headline, and not a thing to show for it.

DR. COLLINS: Keep that up and it will be the headlines, no doubt it will be.

MR. NEARY: If we only had an investigative newspaper in this Province, and some investigative reporters -

DR. COLLINS: Hear, hear! I totally agree.

MR. NEARY: - so they could trot out the figures and hold them up on the television screen to the people of this Province, and say, Look, Mr. Taxpayer, 1972 when the Tories

MR. NEARY: took over your provincial debt was this much, \$750 million or \$800 million; now it is \$3,600 million, \$3.6 billion and what do you have to show for it? And, Mr. Chairman, I am not sure, perhaps the hon. gentleman can tell me, but I do not believe the debt of Newfoundland Hydro is included in that. The debt of Newfoundland Hydro is \$1 billion, \$1,000 million.

DR. COLLINS: That goes in public sector debt.

MR. NEARY: \$1,000 million owed by the Newfoundland Hydro. Is it any wonder that they sock it to the consumers of electricity in this Province.

MR. CHAIRMAN (Aylward): Order, please!

The hon. member's time has elapsed.

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, as I say, you really have to work hard to keep on top of the misinformation the hon. Leader of the Opposition (Mr. Neary) gives. Now he said the population of the Province is 565,000. I have it in front of me in 1980 it was 566,000. So I do not know where he gets his figures. I hope that no one pays any attention to what the Leader of the Opposition says.

MR. NEARY: It went down. They all left to get work.

MR. CHAIRMAN: Order, please!

DR. COLLINS: All right, 1980 it was 566,000; 1981 it was 568,000; 1982-569,000; 1983-578,000, and this is 1984, so we are just over 580,000 now. So the hon. Leader of the Opposition has such rubbishy figures, I hope no one with any sense pays any attention to him, and especially the media. Because I am afraid the media has been paying attention to the hon. Leader of the Opposition

DR. COLLINS: and you see the most outrageous statements that come out and, when they are in the paper, some people tend to think they have some validity to them. Now I say if people are going to write something in the newspapers, they should do some investigation and just get the honest facts. Now the facts I gave you about provincial public sector debt, per capita public sector debt are available. We did not make it up ourselves. Our debt management people just got it available from the public record, and if anyone in the media wishes to check it, all they got to do is get out the budgets that are brought down by provinces each year, made public each year, and the figures are in there.

Now, Mr. Chairman, where else do we go from here? First of all, the public sector debt does include Hydro. The Leader of the Opposition (Mr. Neary) wondered if it did. Now a man who has been in this House for twenty-three years, or whatever it is should know the public sector debt includes everything, including the kitchen sink when it comes to debt, and it certainly includes Newfoundland Hydro. He asked if we have a sinking fund? Yes, we have a sinking fund. Our sinking fund now is approximately \$500 million.

MR. NEARY: Where is it here? Where is the sinking fund shown here?

MR. CHAIRMAN (Aylward): Order, please!

DR. COLLINS: I am absolutely not interested on what page it is on. I am telling you that it is approximately \$500 million, our sinking fund.

MR. NEARY: The hon. gentleman knows it is not here.

DR. COLLINS: Now, Mr. Chairman, the hon. Leader of the Opposition makes a great point, he makes this every year, about the difference between

DR. COLLINS:

the public sector debt in 1972 and the present time, and he compares one with the other. Now, you know, any student in about Grade IX in school knows that you have to compare likes with likes. When you are talking about debt you relate debt to three things. First of all you relate it to population and, of course, that is what we did when we talked about per capita debt, then you relate it to revenue. For instance, if a person is making \$10,000 a year and he owes \$1,000 he is in some risk, if a person is make \$100,000 a year and he owes \$1,000 he is in risk. So you have to relate it to revenues. And, thirdly, if you are comparing debt in one year with another year you have to relate it to the value of money, what happened to the value of money in the meantime. For instance, ten dollars that you owe in 1984 is considerably less than ten dollars you owed in 1972. Now, as I say, children in school, Grade IX or even less, know these sorts of things. So when the Leader of the Opposition (Mr. Neary) compares a figure with 1972 and 1984 and does not qualify it in any way with the change in the value of money, the change in the revenues of the Province in the meantime, and the change in the population in the meantime, you have to ignore these sorts of things. You have to ignore those simplistic, foolish comparisons.

Now, the Leader of the Opposition also made a point that the debt has gone up because of certain things and he made a big point about, we nationalized the Upper Churchill. And he said, 'One thing I am saying is this had nothing to do with the Liberals.' Now, that had everything to do with the Liberals, of course, because if the Liberals had not got us into that foolish Upper Churchill contract we would not have had to - not nationalize, we

DR. COLLINS: provincialize it - we would not have had to provincialize it, we would not have had to take it over. It was in the hands of the Province of Quebec, of Hydro Quebec, when the Moores administration - not this administration, the previous administration - came into office, and it was not only in the hands of Hydro Quebec but the power contract was so foolish, it was so asinine to have entered into such a contract that something had to be done about it. He mentioned that we should not have bought out BRINCO. BRINCO wanted to develop the other water power in Labrador, on the Lower Churchill. They came in and they spoke to the Moores administration about developing it. Do you know what they wanted to do? They wanted to develop it and sell it to Quebec at the same rate as the Upper Churchill, or at least our return from the development of the Lower Churchill would be no greater than the return we are getting on a per horsepower basis than on the Upper Churchill. Now, you know, anyone who did that would not only be foolish but they would be the accomplice after the fact of the villainous sin thing, when the Upper Churchill was entered into, and the Moores administration, quite rightly, threw the proposition out the window.

The Leader of the Opposition (Mr. Neary) also said that the public sector debt went up because of a couple of explosions up on the Great Northern Peninsula and the Southern Labrador Coast, and he says that this was a total loss, this was a terrible thing to do and he cannot understand why we got into those expenditures up there. Now, Mr. Chairman, the hon. the Leader of the Opposition, I think, may have heard of LCDC, Lower Churchill Development Corporation, and that is a funded corporation and our equity in that corporation is the expenditures made up there. Now,

DR. COLLINS: Mr. Chairman, who do you think is the other shareholder in there? Who do you think matched that equity, and of course validated it by matching that equity? Who but the federal government. The Leader of the Opposition (Mr. Neary) tries to make the point that this was a total loss when the federal government itself says that it is worth something, to the extent that we are going to equally fund LCDC on the basis of your equity. And that was our cost of beginning that development up there.

DR. COLLINS: I will hardly make mention of the Labrador linerboard. I mean, you have to have a face like a robber's animal. For a Liberal to come up and say that the PC administrations lost money on the Labrador linerboard, when the Labrador linerboard was one of the biggest fiascos in this world, entered into by no other than the last Liberal Premier with the willing accomplice, the member opposite, entered into an arrangement with a carpetbagger who has no more validity than some outlaw down in Central America which, I believe, is where he is at the present time.

So the Labrador linerboard was loaded onto the back of the Moores' Administration when they came into office, this terrible thing that the Liberal Administration had gotten the people of Newfoundland into, and it cost us an arm and a leg, there is no doubt about it, it cost us an arm and a leg to take that foolish project and turn it into something which is now a credit to the Province, and it is one of the most modern papermaking operations in Eastern Canada.

Mr. Chairman, the hon. the Leader of the Opposition (Mr. Neary) forgot to mention other costs that we have had to face, both this administration and the previous PC Administration. We had to face costs over the fishery, enormous costs over the fishery. And one of the costs we have had to face recently was something like \$35 million in trying to get a piece of the action of the fishery. In other words, we had to try to buy back our own fishery that the Liberals, when they were last in power, gave away. The Liberals when they were in power gave

DR. COLLINS: our fishery away to the federal government and we have had to, in the last seven years, struggle and pay out monies to get back our own resource. Similarly, we have had to expend considerable amounts of money in legal fees and studies and consultations, in whatever, to try to get a piece of the action of the offshore, something that was totally given away by the Liberal Government when they did not write into our Terms of Union proper terms. The Newfoundland people thought there were proper terms in there. The Newfoundland people, until the Supreme Court decision came down, thought they entered Confederation on the basis of having been a dominion, they had dominion status and, of course, a dominion had rights offshore. This is what the Newfoundland people thought. Lo and behold we find when it is put to the test in the Supreme Court of Canada that the Supreme Court rules otherwise. Now, this was a pure dissembling to the Newfoundland people.

MR. CHAIRMAN (Aylward): Order, please! The hon. member's time has elapsed.

The hon. the Leader of the Opposition.

MR. NEARY: Mr. Chairman, this could evolve into a continuing debate. I am not going to get bogged down on three items, but I just want to deal briefly with what the hon. gentleman said about Labrador linerboard. Mr. Chairman, it is now a well-known and established fact that it was not necessary to nationalize Labrador lineboard. That is an absolute fact. The same gentleman who started that mill, and the hon. gentleman gets over there and boasts now and says, "What a modern paper mill it is," there would not be anything there if it were not for the Liberals and for the

MR. NEARY: gentleman who promoted that mill. They would not have anything there. They have spent \$60 million or \$70 million to convert a \$500 million mill into a paper mill. If it was not there they would not be able to convert it. It was put there for them. And then they gave it away, gave it to Abitibi-Price for God only knows what in return, gave it to them. It did not cost them a penny, not a cent. It cost the taxpayers of this Province \$500 million to keep it going. And there is still some pretty shady wheeling and dealing in connection with that that has never been accounted for.

MR. CARTER: A point of order, Mr. Chairman.

MR. CHAIRMAN (Aylward): A point of order, the hon. the member for St. John's North.

MR. CARTER: We are so used to hearing the hon. the Leader of the Opposition (Mr. Neary) emulate the late Senator McCarthy that I sometimes think his soul must have penetrated his hulk, that whenever we hear there is something shady, or whenever we hear -

MR. STAGG: Ask him are you now or have you ever been?

MR. CARTER: Yes - whenever we hear an accusation we are so used to hearing it we let it roll off our backs like water off a duck's back. But I have to point out, Mr. Chairman, or I

MR. CARTER:

should not have to point out that in this House there is the press, they do not come in all that often, or all of them do not come in all that often, there are strangers in the gallery, and I do not mean this pejoratively, there are people here for the first time, they hear these absurd and wild charges and some of them may be inclined to believe that where there is smoke there is fire. Now I think, Mr. Chairman, that whenever the hon. member gets on like that he should be brought to order very quickly and very severely. We are all so used to it we tend not to hear it, but I think occasionally some of us should get up and point it out.

MR. NEARY: To that point of order, Mr. Chairman.

MR. CHAIRMAN (Aylward): To that point of order, the hon. Leader of the Opposition.

MR. NEARY: Mr. Chairman, the hon. gentleman - of course, I do not have to tell Your Honour - does not have a point of order, but in the process of squirting his venom across the House the hon. gentleman used an unparliamentary term, Mr. Chairman, and he should be made to withdraw it or he should be named and flung out of the House for referring to me as a disciple of Senator McCarthy. You cannot, according to the rules of this House, you cannot say through the backdoor what you cannot say through the front door. McCarthyism is an unparliamentary term, Mr. Chairman, and the hon. gentleman should be made to withdraw what he said or be named by Your Honour.

MR. CHAIRMAN: Order, please!

To that point of order, each member in the House will have the opportunity to debate the figures and statements made by other members. so I rule that there is not a point of order. The fact that a certain word is claimed to be unparliamentary, I will have to check

MR. CHAIRMAN (Aylward): it, I do not know if it is or is not.

The hon. Leader of the Opposition.

MR. NEARY: Thank you, Mr. Chairman.

The hon. gentleman can try to use up my time all he wants with his silly, foolish points of order but the fact of the matter is that we will stay here as long as is necessary on the Consolidated Fund, that the hon. gentleman would not understand. He probably thinks it is something you have for dinner - Consolidated Fund Services. He does not understand it and if he does not like the heat let him get out of the kitchen. But, Mr. Chairman, that linerboard mill need not have been nationalized, it was a blunder, it was an error in judgment. The hon. gentleman was part of the administration that did it and it cost the taxpayers \$500 million. And, Mr. Chairman, then they gave it to Abitibi-Price who converted it into a paper mill. At least they had something to convert.

If it was not there they would have had nothing to convert and the people out in the Bay St. George area would be like the rest of the people throughout the Province, they would have nothing. And, Mr. Chairman, the man who started that mill also started IOC, Wabush Mines and they did not have to nationalize that. These two great projects succeeded and as a result they named a house over here on the campus of Memorial University after the gentleman who they are so hot to trot after all the time.

MR. DAWE: Carpetbagger house.

MR. NEARY: Not only that, gave him an honorary degree, by the way. That same gentleman was given an honorary degree from this university. Oh, they would love to have him back. Mr. Chairman, the problem is they probably would not be able to find a judge to hear the case because they would all be in conflict of interest, they

MR. NEARY: would have to bring a judge in.

MR. CARTER: A point of order, Mr. Chairman.

MR. CHAIRMAN (Aylward): Order, please!

A point of order, the hon. member for St. John's North.

MR. CARTER: You know, we may criticize each other, we may criticize the general public, we may practically say anything in this House, but one thing we may not do in this House is criticize the judiciary, you know, and I think the member is suggesting that all the members of the judiciary could be in conflict of interest in connection with some of the Doyle shenanigans. That is the most unparliamentary thing that has ever been uttered in this House.

MR. NEARY: To the point of order, Mr. Chairman.

MR. CHAIRMAN: Order, please!

To the point of order, the hon. Leader of the Opposition.

MR. NEARY: Mr. Chairman, I believe when these gentlemen were in the practice of law in this Province a good many of them had something to do with the Iron Ore Company of Canada, the Wabush Mines, the linerboard mill, Canadian Javelin, Jubilee, I would have to say a large number of them. And I am not casting aspersions on the bench or on the judges, I am merely making a statement of fact, that it may be very difficult to find a judge to hear the case because of a conflict of interest situation and a judge may have to be brought in from outside, which probably would be the first time in Newfoundland's history.

MR. CHAIRMAN: Are you finished on that point of order?

MR. NEARY: Yes, I am.

MR. CHAIRMAN (Aylward): To that point of order the hon. member explained the point he was trying to make and he certainly made it clear that he was not trying to cast aspersions on the justices of this land.

The hon. Leader of the Opposition.

MR. NEARY: That is the hon. gentleman's buttoned-down, bigoted, small-mindedness, Mr. Chairman, the narrow-mindedness that we get from the opposite side of the House, the smallness like we saw the other day with the airplane when I was down in Stephenville

MR. NEARY:

and down in Port aux Basques. How small can you get? Mr. Chairman, they are so low that they could probably crawl under a reptile's belly. That is how low-down they are over there. Now, Mr. Chairman, I hope I have dealt with the Linerboard. The other thing the hon. gentleman could not justify was these two holes in the ground. But, Mr. Chairman, I noticed the hon. gentleman kept referring to the Upper Churchill, 'that foolish contract', he said. And I asked the hon. gentleman, I interrupted and I said, 'Who negotiated that contract?' He did not answer me. You see, here is the brainwashing and here is the Hitler-like tactic that they use when they are talking about the Upper Churchill. I am asking the hon. government House Leader (Mr. Marshall) to stand up in this House man-fashion, be a man, do not be a mouse and tell the people of the Province, because he has tried to lead them astray, mislead them, who negotiated the contract? Who negotiated it? Does the Minister of Finance (Dr. Collins) know who negotiated that contract? Who negotiated it?

DR. COLLINS: Lesage, Smallwood and Pearson.

MR. NEARY: The hon. gentleman said, 'Lesage, Smallwood and Pearson'. Well, how come the government's lawyer, when they went before the Supreme Court on the water reversion rights, said that Mr. Smallwood or the government did not have anything to do with that contract, neither did they see it? How can the hon. gentleman answer that? And how can the hon. gentleman answer that Newfoundland Hydro put out a brochure and said the government did not negotiate

MR. NEARY: the contract, they had nothing to do with it, they had no right to have anything to do with it and they did not see it? Now go and ask Mr. Leonard Martin. As a matter of fact, I have sent for the document from the Supreme Court and I have it down in my office somewhere and I have the brochure. Even John Crosbie, as brazen, as narrow-minded and as bigoted as he was, when John Crosbie stood in this House he told the House that the government had nothing to do with that contract.

MR. CHAIRMAN (Aylward): Order, please!

The hon. member's time has elapsed.

The hon. the Minister of Finance.

DR. COLLINS: Mr. Chairman, the hon. Leader of the Opposition (Mr. Neary) says that the government at that time, that is the Liberal government who was in power at that time, with one of the biggest projects going on, a project that was going to affect the Newfoundland people for sixty-five years, they just turned their back on it, they turned a blind-eye to it. I mean, that is an incredible admission to make. Is he serious in saying that the Smallwood administration, when the Upper Churchill project was being put into place, that they knew nothing about it, that they turned their back on it, that they turned a blind-eye to it? Something that was going to haunt the Newfoundland people for sixty-five years, something that was going to take our resources and transfer the wealth therefrom to another Province and they knew nothing about it, did not pay any attention?

MR. SIMMS: After the way it turned out I would not be surprised.

DR. COLLINS: I mean, what exactly were the Smallwood administration doing? What were they there for? I mean, there are members on the opposite side who were in the Smallwood administration at that time. Did they say that they were so uncaring about their responsibilities that they paid no attention to what was going on in Western Labrador when one of the biggest hydro electric generation sites in the world was being put in place and being put in place on the backs of a resource owned by the Newfoundland people? And they did not pay any attention to it. They did not know anything about what was going on. They did not care. It is fantastic.

MR. MARSHALL: When he was in government, you see, he dared not ask a question so he assumed it was all right.

DR. COLLINS: So he assumed. Right. Now, just supposing you accepted that ridiculous statement, supposing you accepted that, who would have negotiated it? Who else was there? We know that Quebec were on one side. I presume they did not negotiate with a phantom. There had to be someone on the other side. So who would it have been? Would it have been BRINCO? It could not have been BRINCO. Sure the hon. Leader of the Opposition (Mr. Neary) said that BRINCO was the greatest thing since sliced bread and the PC administration had holes in their head to get rid of BRINCO. It could not have been BRINCO, this paragon of virtue that the hon. Leader of the Opposition said that we were dastardly to have gotten rid of. It could not be those people who negotiated away the

DR. COLLINS: resources of the Newfoundland people in that foolish deal. It could not have been them. Anyway, whoever it was there was certainly a foolish, foolish contract entered into, and if the Smallwood administration could not do anything about it they should have been taken out and shot like dogs in the street, because that is what they were elected for. They were elected to protect the interest and the resources and the possessions of the Newfoundland government. And if they did not protect them

DR. COLLINS: they should be drummed out of the Province.

MR. NEARY: Who negotiated the contract?

DR. COLLINS: Now, Mr. Chairman, what else do we have here? Oh, yes, the Leader of the Opposition has given us an insight into what is called the Liberal way to develop things. It goes something like this: First of all you go out and make a horrendous mistake that costs millions. That is the first thing you do, such as the linerboard. You set up something that is stupid and asinine like the linerboard, that is the first thing to do. You put yourself down in the hole, you put yourself in debt, you enter into a contract that is so silly that even certain merchants down on Water Street, and some of them are silly enough, even they would not enter into it. Now having done that, having put yourself way down in the hole and put yourself in a loss position, then you throw it open to someone else and ask them to turn it around for you. Now, that is the Liberal way to develop things. And it is a useful insight to have. I hope the press picks it up and lets the people of this Province know what they are in for if they ever let the members opposite get back into power and start developing Newfoundland again. That is what they will do. First of all they will give it all away and then, having given it all away and the people in this Province as poor as church mice, then they will give it to someone else and they will expect that someone else to work their heart and soul out to bring it all back together again. That is the Liberal strategy of development and I am glad that we had this debate today to bring that out clearly.

DR. COLLINS: Now, what else did the Leader of the Opposition (Mr. Neary) bring up? He brought up about the guarantees, and I do have that here. This is a matter of public record. In actual fact, I will be tabling this information in the House shortly, as is required under the Financial Administration Act. But the total amount of approximately \$881,000 paid out included pay outs in regard to Ocean Harvesters Limited, roughly \$255,000; Fisheries Products Limited, roughly \$109,000; Bay St. George Seafoods Limited \$73,000, approximately; Newfoundland Food Processors Limited \$146,000, approximately; Blue Ocean Products Limited \$18,000, approximately; Cape Pond Fisheries \$17,000, approximately; and two individuals, I do not know if I should name them, they will be part of the public record but I do not choose to name them at this time, two individuals who took on loans for fishing vessels and they did not make a go of it and that was \$156,000. That will be a matter of public record shortly when I table it.

MR. NEARY: Give it to us now. We are debating it now.

DR. COLLINS: So, Mr. Chairman, as I mentioned earlier these are guarantees honoured, and when we honour the guarantee we either take back the asset, we either repossess the asset or we put the amount that we have to honour on the books of those companies, if they are still in operation, we put it on the books as a direct loan. So those individuals owe that amount of money. It is not a lost amount of money. Whether one gets it back or not, of course, depends on whether the companies do actually become profitable after a period.

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

MR. CHAIRMAN (Aylward): A point of order, the hon.
the Leader of the Opposition.

MR. NEARY: Mr. Chairman, I believe
when you read from a list, that under the rules of the House
you have to table that list, table the information, and I
call upon the Chair now to direct the Minister of Finance
(Dr. Collins) to table the list that he just read from.

MR. CHAIRMAN: To that point of order, the
hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, I believe the
hon. Leader of the Opposition (Mr. Neary) is correct, that
if one does read from a list you have to table it. I do not think
the rules say when you have to table it. You have to table
it and, as I mentioned earlier, this is a matter of public
record, or will become a matter of public record.

MR. NEARY: But you did not give us all the
information.

DR. COLLINS: And this information will be
tabled. I said that originally, it will be tabled and it
will be tabled when it seems the best thing for me to do.
So just to finish the point I was making -

MR. CHAIRMAN: To that point of order the
hon. minister suggested that he will table it. It does
not say in the Standing Orders that it has to be tabled
immediately, but it is to be tabled, as the minister has
suggested.

The hon. Minister of Finance.

DR. COLLINS: Mr. Chairman, just to finish
on that point, especially in regard to fishing companies
which get into difficulties, and there have been

DR. COLLINS: a fair number over the last year or two and I am referring here particularly to inshore fishing companies. These requests from these companies are assessed by a group of officials made up of officials from the Department of Finance, the Department of Fisheries and the Department of Development, and they use guidelines or criteria on which to judge the application. The criteria relate to first of all need, whether they actually need this assistance; secondly, whether the companies have prospects of viability - now, there is a bit of a judgement call, I grant, but prospects of viability; thirdly, whether they have adequate management in place or that they are going to change their operations in such a way as to put adequate management in place; and finally, whether the resource and the markets, their projections are reasonable and acceptable to the Department of Fisheries.

In most instances, where we have operated on those guidelines, it has been a successful venture. There have been a number whereby we have had to honour our guarantees. Most of these companies are still in operation and the hope, and in many cases, the expectation is that they will, having gone through a rough period, in actual fact, become profitable at some point in the future and the Province will be able to get back the moneys that it now has converted from a guarantee into a direct loan.

MR. ROBERTS: Mr. Chairman.

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

MR. ROBERTS: If I might on that point - and I do not want to get into any individual case, Mr. Chairman, because I am not sure that is entirely appropriate, although

MR. ROBERTS: I think the minister has been less than forthcoming in reading, apparently, part of the list, if not all of it. But we are used to that with the minister. You know, the people of Newfoundland know him and they have rendered their verdict on him and they will again.

Mr. Chairman, the point I want to ask the minister is this: In a case where the government guarantees a loan to a company and the lender of that money, which I assume is usually a bank, it may or may not be, but usually a bank, calls the guarantee, the government honours the guarantee; it has no choice and it does. It honours it. Now, I wonder if the minister could tell us what happens then? For example, he just said in his closing remarks that what was a guarantee has turned into a direct loan. Does the government then take security from that company and if so, in what form? Does it take a judgement against that company by suing on the guarantee which it has had to honour, suing the company in debt and then taking a judgement? Does it get access to the company's financial records? Does it find out why the company has defaulted? For example, what would happen if there was a situation - and I know not whether there are any or not, but I want the minister to tell us whether he knows - whether there was a situation where a promoter or an owner took money out of the company that might be inappropriately taken out; in other words, left the company high and dry - that is easy enough to do - and then at the end of it, just left the company a shell and left the government to honour the guarantee? There are any number of things that can happen. And what I want to know is - once we give somebody a guarantee, we in effect are giving them that amount of money, because we are saying to a third

MR. ROBERTS: person, the bank or what have you, whoever the lender is, that if John Doe does not repay the debt together with the interest on it, we will do it. And these are cases where John Doe does not repay the debt and then the bank or whatever looks to us and we honour it. Now, what do we do then? Do we just say, 'Boys will be boys,' set it up as a receivable in the books, or do we take some other action, and if so, what do we take? Could the minister tell us that?

MR. CARTER: What is the relevancy here?

MR. ROBERTS: I beg your pardon, Mr. Chairman, I heard an interjection from the gentleman.

MR. CARTER: What is the relevancy of all this?

MR. ROBERTS: Mr. Chairman, the hon. gentleman may not know what is or is not relevant, having been irrelevant all of his life.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: All I want to say is we are talking here about a vote of public money, some of it pretty funny given the minister's explanations, but money to pay some guarantees, that is included in these estimates, and all I am asking the minister - and I know

MR. ROBERTS:

he will respond - is what do we do when we do have to honour a guarantee? What do we do about it? Do we just say, 'Oh, well boys will be boys,' and turn it into a receivable on our books or do we take some other action? And if we take some other action, just what form does that take?

MR. CHAIRMAN (Aylward): The hon. the Minister of Finance.

DR. COLLINS: Mr. Chairman, I think it is rather revealing, the question the hon. member asked. I presume one has to say, well, if he asked that question, clearly the way that things were done in the past were not done that way, that is getting access to records and so on and so forth. It is rather revealing. If that is the way things were done in the past it was very, very poor financial management and certainly not the way we operate.

I might just first comment, though, on the hon. member opposite. He agreed with the Leader of the Opposition's (Mr. Neary) aside there when I said we gave out certain names, i.e. names of companies, but then I did not give out names of the individuals.

MR. NEARY: Why?

DR. COLLINS: I said that these were matters of public record and it will be laid on the House in due time. I did make the point that when you give the name of a company it really does not have, shall we say, the possible personal embarrassment than if you give an individual's name, and that is why I chose at this point not to mention an individual's name, just so that any possible embarrassment to an individual would not be made apparent. So this is the reason. The members opposite can say, 'Well, this is crooked on the part of the minister, he is a crooked person, we would expect this crookedness from such

DR. COLLINS: a person.' I did not expect that they would think that I was doing that because of any sensitivity in terms of embarrassment that an individual might suffer, but that is what will happen. And when these names ultimately go on the public record they are done in such a way, on a piece of paper laid on the table of the House, and very often they are public but that is as far as it goes, the actual name does not get bandied around in the press or whatever.

Now, Mr. Chairman, to go to the substance of the hon. the member for the Strait of Belle Isle's (Mr. Roberts) question the first point I would like to make is that most of these companies who come into us, they are in difficulties because of circumstances. It is not that they themselves are crooked, that they themselves are malfeasant, that they purloin the resources of these companies to their own benefit and all of that sort of thing. There may be some, I mean, let us face it, this is not a perfect world, but in most instances these are honourable people trying to make a living in the fisheries and they have gotten into difficulty because of circumstances and we regard them in that way. That is the way we normally regard them. Now clearly, as I say, there is the odd bad apple in the barrel and we certainly make it our business to find out that also. But in the vast majority of instances they are not bad apples, they are businessmen perhaps not the best managers in the world, but nevertheless they are businessmen who got into difficulty because of circumstances. Now, when we put on a guarantee, Mr. Chairman, we take as much security as is available to cover the amount of guarantee we are putting on. If the security is there we will obtain that security; we will obtain it through a document, through a document that is legally enforceable

DR. COLLINS: in court, I am not involved in that directly, but that is what the Department of Justice does for us. We arrange for an agreement to be set up in a legally proper fashion and so that security is there for us even when the guarantee is on. Now if the guarantee has to be converted into a direct loan, obviously we still retain that security.

The hon. member also asked, 'Do we have records made available to us?' Of course we do, we would be foolish not to. To ask such a question that really says something, we make sure that we get monthly if need be, but certainly quarterly records from these companies. We have a monitoring committee in

DR. COLLINS:

place which keeps an ongoing assessment done of the records that come in so that at the earliest possible moment we can spot if something is going wrong and we can do something about it. In many instances, if we do find something going wrong, we will arrange for someone in the public service, who can help the company, to take an active management part in the company or, if not, someone in the public service, perhaps someone from NLDC, Newfoundland and Labrador Development Corporation, that type of thing.

In some instances, where we feel that there is a sizable risk, we will even insist that a director, a government person be put on the company board as one of the directors, again to give us access to what is going on, what management decisions are made and so on.

So that is the way we operate this programme. Now, there are rare instances, and I have told the House this before and have told the Committee this before, there are rare instances where a company will not fulfill all four criteria, that is, that the resource is there, that the need is there, that the management is there, and that the viability, the reasonable viability of the company is there. Sometimes a company, in rare instances, will not reach that, but we nevertheless do extend a guarantee or, in some cases a loan, because that particular operation is so important to that local part of the Province. It may be that that is the only plant to which the fishermen in that area can have their catches processed. And there have been a few instances like that. But those are the exceptions rather than the rules. It has been a very useful programme. It has been by and large successful considering the difficult circumstances the fishery has been going through. And the fact that we have had to honour a number of guarantees, is not too disturbing

DR. COLLINS: to us, it is not too surprising. And, as I have mentioned, we have some expectation that some of the monies we had to pay out will actually return to government at some point in the future.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: I want to revert back for a moment to the debate that I had going there ten or fifteen minutes ago that had to do with the contract on the Upper Churchill. I do not think, Mr. Chairman, that I have ever seen such gross ignorance on the part of a minister, as to who is responsible for that contract, as the hon. gentleman displayed there ten or fifteen minutes ago.

Now, Mr. Chairman, let me again repeat what I said. Mr. Leonard Martin, when he appeared before the Supreme Court of Canada representing the government, representing the administration there opposite on the water reversion rights, Mr. Leonard Martin, who represented the administration, what did he say about the contract? He said, and it is a matter of public record, when he was asked by a judge, one of the judges looked down at him and said, 'Counsel, who negotiated the contract?' He said, 'The company negotiated it'. He said, 'You mean, the government did not negotiate it?' 'That is right'. The Counsel for the administration there opposite said, 'That is right'. 'The government had nothing to do with it. They did not see it. They had no right to see it. They had no right to have anything to do with it.' Legal counsel for the administration said that.

And Mr. Vic Young, when he put out a brochure from Newfoundland Hydro, said, "The government did not negotiate the contract." Mr. John Crosbie in this House, it is a matter of public record, you can go and search Hansard, said, "The government did not negotiate the contract'.

DR. COLLINS: What were they doing?

MR. NEARY: That is three sources.

DR. COLLINS: What were they doing?

MR. NEARY: Three sources said the government did not negotiate the contract. And the legal counsel fighting for the water reversion rights had to admit, when asked by a judge, that government did not negotiate the contract.

MR. CARTER: They did not negotiate it they ruined themselves.

MR. NEARY: They did not see it, they had no right to see it, they did not have anything to do with it, no more, Mr. Chairman, no more than when that crowd over there gave Abitibi-Price the linerboard mill in Stephenville, that was the end of it. They had no right then to interfere in what contracts they made with the people they market paper to.

MR. CARTER: The myth had to be made.

MR. NEARY: Mr. Chairman, the myth has been exploded today. The big lie has been laid out for what it is, the big lie. And, you know, the hon. gentlemen seem to be worried about the press over there today. They say, Oh the press picks this up and the press picks that up. Well, let the press pick up once and for all, because they too have been duped by hon. gentlemen there opposite, that the government of the day

MR. NEARY:

had nothing to do with that contract, did not see it, should not have seen it, had nothing to do with it any more than the previous administrations had anything to do with Buchans, once they were given the rights to mine, Bowater, or once given the timber rights and the right to produce pulp and paper; that was the end of it once the authority was given by this House. The same way with Abitibi-Price, the Iron Ore Company of Canada, Wabush Mines, once they were given the mineral rights that was it, they made their own contracts, the same a BRINCO and the Churchill Falls Corporation made their own contracts. It was a matter between the company and whoever they sold the power to in Quebec. Now let that lie never be repeated on that side of the House again because that is what it is. It is a downright lie, Mr. Chairman, And they have managed to get great mileage out of it, they hoodwinked the press, the media, in this Province. The Minister of Education (Ms. Verge) knows the government of the day did not negotiate that contract, had nothing to do with it, had no right to have anything to do with it. And anybody on the other side who can call himself an hon. gentleman, a gentleman of integrity and honesty, knows that. But they will keep repeating a lie. And you know, Mr. Chairman, why they will keep repeating the lie? They will keep repeating the lie because they think they are getting great political gain, great political mileage out of it. I think the Minister of Finance (Dr. Collins), by the way, in his ignorance and in his simplicity believed what he said. You know what we are seeing, Mr. Chairman? I saw something the other day that I thought really described the administration there opposite and it is called 'group think', it is something new. You will not find it in the old dictionaries, 'group think'. You have group thinking going

MR. NEARY: on. When a person feels that he is schizophrenic, he is paranoid, he is superior to everybody else, Mr. Chairman, then a group of people will get together and they become embroiled in what they call 'group think'. And we have a classic example in this Province. By the way, my new colleague, is 'group think' the right word?

MR. BARRY: 'Group think', yes.

MR. NEARY: My colleague, your former colleague who was the devil's advocate in the administration, had to leave because he did not believe in this idea of having a group of people around who could try to keep them on the right path. 'Group think', a new word, look it up! Schizophrenic! Paranoid! What other words are there to describe that administration there opposite?

MR. TULK: How about rubbish?

MR. NEARY: Silly! Childish! And all of this happened after the last election when the Premier thought he was superior to everybody in the Province. He should have put the problem to a group of people, a think tank, and not used 'group think'.

Now, Mr. Chairman, I hope I have settled that matter once and for all, The great lie has been exploded for what it is, it is a myth, it is a figment of hon. gentlemen's imaginations. Now, Mr. Chairman, what about the list? Let me come to the list, because I only want to raise two points and then my colleague the member for the Strait of Belle Isle (Mr. Roberts) might have something to say. The hon. gentleman only read part of the list and then he very quickly skipped over \$156,000 of taxpayers' money and said, "I am refusing to give the Committee the name". Even though these people knew when they came for taxpayers' money that their names would be published, that members of this hon. House had the right to know who was getting taxpayers'

MR. NEARY: money, we have the right to know -

DR. COLLINS: You know.

MR. NEARY: We do not know and the minister is refusing to let us know, Mr. Chairman. The minister should tell us what the \$156,000 was for. What was it for? At least he can tell us that.

DR. COLLINS: It was for a couple of poor fishermen who wanted to get a boat.

MR. NEARY: A couple of poor fishermen who wanted to get a boat. What kind of a boat? And what about the Fishery Loan Board? What about all the hundreds and thousands of fishermen who want boats, new boats and replacements?

MR. ROBERTS: Whose friends are these anyhow?

MR. NEARY: Yes, and why just two? Why two? What about all the other thousands of fishermen?

DR. COLLINS: Because those are the two who did not make it.

MR. NEARY: They did not make it. Oh, Mr. Chairman. There are hundreds and thousands in the Province today who cannot make it.

MR. TULK: Did not make what?

MR. NEARY: What did they not make? Give us the details. The hon. gentleman is now arousing our curiosity.

MR. ROBERTS: Whose friends are they? Whose clients are they?

MR. NEARY: Whose clients or whose friends are they? That is right.

MR. TULK: Those are a couple of fishermen, their friends, who could not come under the new regulations of the Fishery Loan Board.

MR. NEARY: Why could they not fit under the criteria of the Fishery Loan Board? How come they got special treatment? Mr. Chairman, we should have the details. I am not saying there is anything wrong with it, but let it hang out.

MR. ROBERTS: Their silence condemns them.

MR. NEARY: But silence certainly makes us curious and suspicious on this side of the House, Mr. Chairman.

MR. NEARY: So let us not have that silly nonsense. Put the list on the table of the House so that we can have a look at it and if there are any questions to be asked we will ask them. We are not trying to embarrass anybody, we are not trying to hang anybody out to dry.

MR. ROBERTS: It is public money.

MR. NEARY: It is public money and the taxpayers have a right to know.

DR. COLLINS: I would never have suspected.

MR. NEARY: When they come for public money, taxpayer money, are they not aware that their names may be published somewhere?

MR. DINN: Sure, we could not find out who owned the liquor stores.

MR. NEARY: They set up a royal commission and they still could not do anything about it, Mr. Chairman, even though that was part of the vendetta that was carried on.

Now, Mr. Chairman, let the Minister of Finance (Dr. Collins) not try to hide behind his silly excuse for not laying that list on the table. Give us the details and give us the information. Why two fishermen? Why special treatment? Why this boat to these two fishermen? What were the circumstances? What was it used for? Why did they default? What kind of fishery are they in?

DR. COLLINS: What special treatment are you talking about?

MR. NEARY: It is special treatment. It is the first time a guarantee has been given -

DR. COLLINS: A fellow goes bankrupt, is that special treatment?

MR. NEARY: What do you mean, if a fellow goes bankrupt? I am talking about the guarantee.

DR. COLLINS: What do you think we paid out on the guarantee?

MR. NEARY: I am talking about the original guarantee.

DR. COLLINS: What do you think we paid out on the guarantee?

MR. TULK: What was the original guarantee?

MR. NEARY: Why was the original guarantee given out? That is the preferential treatment.

DR. COLLINS: They wanted to get a boat.

MR. NEARY: Well, give us the details -

MR. TULK: Why not go through the Fishery Loan Board?

MR. NEARY: - do not sit over there in a cowardly way saying, 'Well, these two names, we do not want to give them out.' It is taxpayer money, they cannot do that. What a cowardly argument, and what a silly argument, Mr. Chairman. Does the hon. gentleman have any courage? He is Minister of Finance.

DR. COLLINS: You are getting sucked in.

MR. NEARY: I am getting sucked into what?

DR. COLLINS: You will find out.

MR. NEARY: Put the list on the table.

DR. COLLINS: You are getting sucked in.

MR. NEARY: Is that so? Mr. Chairman, I am getting sucked into trying to get information for the people of this Province, if that is getting sucked in. I could not care less about the individuals, their names, whether they hang, or whether they survive, or what happens to them, but I do want information in connection with taxpayer money laid on the table of this House in man-fashion, straightforward.

MR. CHAIRMAN(Aylward): Order, please!
The hon. member's time has elapsed.

MR. CARTER: Mr. Chairman.

MR. CHAIRMAN: The hon. the member for St. John's North.

MR. CARTER: Mr. Chairman, the record has to be set straight. The modern, present-day counterpart of Senator McCarthy ought to be clearly put in his place.

MR. NEARY: There it is again, Mr. Chairman.

MR. CARTER: Yes, the hon. gentleman, I think, is the modern counterpart of Senator McCarthy. In fact, he -

MR. NEARY: A point of privilege, Mr. Chairman.

MR. CHAIRMAN: A point of privilege, the hon. the Leader of the Opposition.

MR. NEARY: Mr. Chairman, that is twice now that term has been used and Your Honour knows, he has the book in front of him, that it is an unparliamentary term and it breaches my privilege of this House. I would ask Your Honour to direct the hon. narrow, buttoned-down mind, the bigot in this House, the biggest bigot we have ever seen, ever to walk in through the doors of this House, that that gentleman be asked to withdraw. And if he does not withdraw and apologize, Mr. Chairman, for his unparliamentary statements, that he be put out of the House, Mr. Chairman, put out, and if he does not go, have the Sergeant-at-Arms come up with the sword and escort him out of the House.

Mr. Chairman,
last week and this is a point of privilege I am making here, last week we had an ice cube thrown across the House. We did not know what it was at the time - we will have

MR. NEARY:

to start wearing hard hats - and that is not ruled on yet, Mr. Chairman. We had all kinds of things happening, people shouting from the doorways over there, and now we have a gentleman saying something through the back-door that he is not allowed to say through the front door.

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

It is a rule of the Committee that the Committee cannot deal with a point of privilege. So if the hon. member wishes to raise a point of privilege, the Committee will rise and report to the Speaker.

MR. NEARY: Sure. Go ahead.

MR. SPEAKER (Russell): Order, please!

The hon. the member for Kilbride.

MR. AYLWARD: Mr. Speaker, during the considerations of the Committee of Supply a point of privilege has been raised by the Leader of the Opposition (Mr. Neary).

MR. SPEAKER: The Chair is willing to hear some argument as to what the point of privilege was.

The hon. the Leader of the Opposition.

MR. NEARY: Mr. Speaker, first of all I have to say that I regret to have to bring Your Honour back to the Chair to decide on this matter, but I feel that my privileges have been breached this afternoon by the member for St. John's North (Mr. Carter).

On the first occasion I raised a point of order and I did not get a ruling, Mr. Speaker, The hon. the Chairman of the Committee (Mr. Aylward) undertook to take the matter under advisement and said that he was going to send for Hansard, and that he would give his ruling later. But the member for St. John's North insists on using the same unparliamentary term in subsequent participation in the debate, Mr. Speaker.

Now, what is the term that the hon. gentleman is using? And I have to point out to Your Honour and to members of the House that you cannot say through the backdoor what you cannot say through the front door. Now, Mr. Speaker, the hon. gentleman twice this afternoon said that the hon. the Leader of the Opposition is a modern-day McCarthy. Your Honour knows that that is unparliamentary. Unparliamentary, Mr. Speaker.

MR. POWER: He meant Charlie McCarthy.

MR. MORGAN: What! Charlie McCarthy is a friend of mine.

SOME HON. MEMBERS: What McCarthy?

MR. SPEAKER: Order, please!

MR. NEARY: I would submit, Mr. Speaker, that if it is allowed to continue, that I can think of all kinds of names to call the hon. gentleman or anybody there opposite, which I would not lower myself to do.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: But if this is allowed, if the hon. member is allowed to get away with this, then, Mr. Speaker, there will be no holds barred, the privileges of all hon. gentlemen will be brought into focus. So I think it has to be stopped. I think my privileges have

MR. NEARY: been breached and I am prepared to move the appropriate motion, Mr. Speaker. And if the hon. gentleman does not -

MR. MORGAN: He is not Charlie McCarthy.

MR. WARREN: Ah, shut up, boy.

MR. SPEAKER(Russell): Order, please!

MR. NEARY: If the hon. gentleman does not withdraw and apologize to the House, that Your Honour should name the hon. the member for St. John's North (Mr. Carter) and have the Sergeant-at-Arms escort the hon. gentleman from the House. It is a very serious and greivous matter, Mr. Speaker. At least I look upon it that way. Because we have seen what has happened on the other side of the House this session. We have seen how the decorum of the House has been lowered by hon. gentlemen shouting from the doorways, taking the House on their backs day in and day out, throwing things across the House. Why, the next thing you will need a hard hat on to sit in this House, Mr. Speaker.

Mr. Speaker, when it comes to a matter of privilege it is a very serious matter indeed. And the hon.gentleman may try to be smart and witty and humorous, which he cannot be, but, Mr. Speaker, he cannot get up and break the rules of this House whenever he feels like it. As I say, I regret to have to bring Your Honour back to the Chair, but we already have one instance where the Chairman could not rule, that he was going to send for Hansard. What would be my point in raising another point of order, Mr. Speaker, when the Chairman had not ruled on the point of order that was already made and was under consideration?

MR. MARSHALL: So what is your point?

MR. NEARY: The point of the matter is that, by allowing the hon. member to continue with these unparliamentary statements, my privileges are placed in

MR. NEARY: jeopardy in this House.
They are, Mr. Speaker, endangered by remarks of that
kind made by the hon. gentleman who is only trying to
draw attention to himself, anyway. That is all he is
doing, Mr. Speaker.

MR. NEARY: So I submit, Mr. Speaker, that Your Honour give this matter very careful attention, very serious consideration and that Your Honour not treat it lightly, not rule on it lightly, that Your Honour rule that there is a prima facie case, that my privileges have been breached by hon. gentlemen there opposite. And if Your Honour rules in that way, then I am prepared to make the appropriate motion.

MR. MARSHALL: Mr. Speaker.

MR. SPEAKER (Russell): The hon. the President of the Council.

MR. MARSHALL: Points of privilege that come up, come up very rarely and, Mr. Speaker, I do not see any way in which the hon. gentleman can ground a point of privilege on the basis that the alleged remark - I did not hear it - but the alleged remark that he says that the member for St. John's North (Mr. Carter) stated, you know, he just said McCarthy or McCarthyism. Now, we all know, - I suppose, McCarthy or McCarthyism means many things; I suppose one of the things is it could mean Senator McCarthy of years gone by, and I do not know whether really that is a breach of privilege to say to somebody. It could mean Charlie McCarthy, Mr. Speaker, and in view of the fact that Charlie McCarthy had a wooden head, it was probably in that area that the hon. gentleman was thinking. Because, Mr. Speaker, for anyone to get up in the House and waste the time of the House on something like that, when you get what the hon. gentleman has been saying in the debate in Committee today, like the hon. gentleman there opposite about us having to go underneath a snake's belly and all this type of stuff, I mean, it is just ludicrous! All he is doing is wasting the time of the House, Mr. Speaker, and the time of the Committee.

MR. CARTER: Mr. Speaker.

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

MR. CARTER: To that point of privilege, Mr. Speaker. Certainly, a point of privilege is a very serious thing and should not be raised lightly and, for the record, I will certainly repeat what I was alleged to have said. I said that the hon. member was acting like the late lamented Senator Joseph McCarthy and, although I am not a spiritualist, I was tempted to believe that the hon. Senator's soul had entered the Leader of the Opposition's (Mr. Neary) body and was continuing to work it, and, in that sense, I suppose, he would be rather like Charlie McCarthy.

SOME HON. MEMBERS: Hear, hear!

MR. CARTER: But the accusation was made in all seriousness, Mr. Speaker, because I made the point that although we seldom even hear the things that the Leader of the Opposition is saying, in fact, that his insults roll off our backs like water off a duck's back, nevertheless, for the sake of the visitors in the gallery and the press, who are not here all the time - most of the press are here all the time, but all of them are not here all of the time; and I am sure their skins are not thickened the way ours have to be in order to be able to put up with the hon. gentleman. And time after time he makes accusations. Several times this afternoon I have gotten up on what I felt were legitimate points of order, one where he attacked and accused and besmirched the entire provincial judiciary. So if that is not the way the late Senator McCarthy would have acted, I do not know what is. I do think it is a serious charge but I do not think it is an unparliamentary charge. I think it is

MR. CARTER: accurate, true; however, I am in your hands, Mr. Speaker, and I will do whatever you say I have to do.

MR. HODDER: Mr. Speaker.

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

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

I think that perhaps -

SOME HON. MEMBERS: Point of privilege.

MR. HODDER: Point of privilege.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HODDER: Yes, hon. members over there can laugh if they want!

SOME HON. MEMBERS: Oh, oh!

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

MR. HODDER: Mr. Speaker, this House of Assembly is getting worse and worse as time goes by.

I refer to Beauchesne and, Mr. Speaker, the types of things that people can say here. The hon. the member for St. John's North (Mr. Carter) makes fun for the idiots on the other side of the House.

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Mr. Speaker. There are no idiots in the House except on the other side.

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

In making his comments, the hon. the member for Port au Port did use the word 'idiots' in referring to other hon. members and, certainly, that is unparliamentary.

MR. HODDER: I withdraw it, Mr. Speaker. But if that is unparliamentary, Mr. Speaker, many of the things that have been said over there have been unparliamentary. If we refer to Beauchesne, such normal things as 'abusing position

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Tape 604

EC - 4

MR. HODDER: in the House, 'misrepresenting
his constituency,' Mr. Speaker, 'does not sound like very
much,' 'cheek' is an unparliamentary

MR. HODDER:

word, it has been ruled unparliamentary by Beauchesne, 'deceive' has been ruled unparliamentary. I mean, you can go through Beauchesne, Mr. Speaker, from one end to the other and you can find words that are listed there which are not, by themselves, considered too bad, would not be considered too bad if used in this House, but are nevertheless unparliamentary. Now, Mr. Speaker, my feeling is that the members opposite are using the rules and decorum of the House in order to mask their own inferiority. Mr. Speaker, there are eight on this side of the House, and every time we stand to speak - today we have been talking on the estimates, on the Consolidated Revenue and the financial part of the budget, - Mr. Speaker, what we find is that members on the other side stand and ridicule anyone who stands to speak on this side of the House. Now, Mr. Speaker, there comes a time when if this continuous type of interjection is allowed, this type of fun, then, Mr. Speaker, the member for LaPoile (Mr. Neary) will not be able to carry on and function as the Leader of the Opposition or as a member of the House of Assembly. Now the privilege is the ability of a member in the House of Assembly to be able to carry out his functions as a member, and, if this House were to degenerate into a bear pit, then none of the members of this House of Assembly would be able to carry out their duties.

That, Mr. Speaker, is what I fear is happening. We find a couple of days ago an ice cube flung across the House, Mr. Speaker, in itself not very much, but at the same time if that sort of behavior is allowed to go on, and I have not heard a ruling on that one

MR.HODDER: yet, if that is allowed to go on then we as members cannot carry on as members of this House. The rules, as Mr. Speaker knows, of the House are set up -

SOME HON.MEMBERS: Oh, oh!

MR.HODDER: - in a confrontational manner. Anyone who has taken the trouble to read Beauchesne, I would say for hon. members opposite, or the Standing Orders of the House would know that the House of Assembly is set up such through the rules of the House so that we can fight back and forth, but decorum must be maintained. The Opposition's job is to criticize the government and the government's job is to defend themselves. And sometimes tempers do fly, but I would submit, Mr. Speaker -

MR.NEARY: It was not said in the heat of debate

MR.HODDER: But I would say, Mr. Speaker, that if we are going to continue the type of stupid- I withdraw that, Mr. Speaker, I cannot think of a word to describe the member for St. John's North (Mr. Carter), but if we are going to allow a member to stand up in a frivolous way -

SOME HON. MEMBERS: Oh, oh

MR.SPEAKER (Russell): Order, please!

MR.HODDER: - to do as he wishes, to make fun and to poke fun for his own enjoyment rather than to keep the business of the House going, Mr. Speaker, then I think that infringes and hinders the right of a member on this side of the House to do his job properly. I believe, Mr. Speaker, that when we look through the section on privilege, and there is quite a bit of it at the first part of Beauchesne, you will find that is the

MR. NEARY:

gentleman got up he added insult to injury. Here I was putting a matter of privilege before the House, and the hon. gentleman repeated, during his input into the point of privilege, things that he is not allowed to say directly were said indirectly again for Your Honour to hear. I just point that out to Your Honour that it may not be necessary now to rise the House to read Hansard. Your Honour heard what the gentleman said and I submit to Your Honour that the hon. gentleman has breached my privileges, There is no way that this House can function, individual members cannot function with these kinds of remarks allowed to stand on the public record. The hon. gentleman has no choice but to withdraw, apologize to the House or be named by Your Honour, and I am prepared to move the appropriate motion.

MR. STAGG:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the member for Stephenville.

MR. STAGG:

Mr. Speaker, the Leader of the Opposition (Mr. Neary) has had a couple of interjections into this now and his second argument was no more convincing than his first.

Senator Joseph McCarthy, Mr. Speaker, I can understand why the hon. gentleman would be relatively touchy on the subject because if we have ever had a member of the House of Assembly who closely resembled the late Senator McCarthy it is the hon. gentleman. Now Senator McCarthy was never convicted of anything, He was elected to the Senate of the United States in the middle 1950s, he is responsible for this infamous phrase, 'Are you now or have you ever been' as he interviewed and intimidated certain witnesses of the House Un-American Activities Committee. Now this is typical of what the hon.

MR. STAGG: member has been doing in the twelve years or so with which I have been associated with this House of Assembly. He has himself been flung out of the House on a number of occasions, Mr. Speaker, for making these kinds of accusations. He has been found wanting on several occasions -

MR. NEARY: I certainly have not. I have not.

MR. STAGG: - he has impugned the integrity of hon. members on a number of occasions, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

MR. STAGG: - and my learned friend and colleague here, who has listened to him longer than I have, has certainly categorized him well in comparing him to the late Senator McCarthy. Far from being unparliamentary, Mr. Speaker, it is the most apt description of the hon. member that has ever come before the House.

MR. SPEAKER: Order, please!

Not having been in the Chair when the point was raised originally, and I understand that the Chairman of Committees has reserved ruling on a point of order that was raised. I would certainly like to take a look at Hansard and listen to and see exactly what was said. There are only a few minutes left in this afternoon's sitting, so I would be prepared to reserve any ruling and hopefully be in a position to rule on it tomorrow.

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

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

MR. MARSHALL: Mr. Speaker, there are only a few moments left, but I have to rise on a point of order at the earliest possible moment. I did not wish to contest the

MR. MARSHALL: ruling of the Chair when the Chairman of Committees indicated that when a point of privilege is raised the Chairman of Committees has to report to the hon. the Speaker in order to deal with it. I would submit, Mr. Speaker, and I refer you to page 24 of Beauchesne, - and this is a fairly important point for the order of the House, Paragraph 76, "Breaches of privilege in committee may be dealt with only by the House itself on report from the committee. Thus should a witness refuse to attend, or refuse to give evidence, the committee must report the fact to the House for remedial action." Now, Mr. Speaker, just very briefly, the point of order is - because I think it is important that it be considered - is the fact that I feel, with the greatest of respect, that where a point of privilege is raised in committee it can be dealt with by the Chairman from the point of view of considering whether or not there is a prima facie case. When the Committee Chairman determines that there is a prima facie case and there is a breach of of privilege, then he reports to the House. I just want to make that perfectly clear, otherwise the consequences are obvious. But I would like, Mr. Speaker, to raise this as a point of order, because it is an important one for the conduct of the affairs of the House, for your consideration.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I have to submit that the hon. gentleman is questioning Your Honour's ruling.

MR. MARSHALL: No, he is not.

MR. NEARY: The hon. gentleman can say, 'No, he

MR. NEARY: is not,' but, Mr. Speaker, in actual fact he is questioning the Chairman of Committees and he is questioning Your Honour's ruling. The rules are there, the precedents are there.

MR. HODDER: His Honour just said that he was going to reserve his ruling.

MR. NEARY: Mr. Speaker, the reason we are so concerned about these matters, Mr. Speaker, is that we had an object flung across the House there a few days ago and that matter has not been ruled on yet. Now these either has to be a reprimand or the naming of the hon. gentleman. There has to be a punishment of some kind.

AN HON. MEMBER: Is that so?

MR. NEARY: Yes, that is so. When you throw something across the House, it is automatic, Mr. Speaker, there has to be a reprimand or punishment of some kind.

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

The hon. the President of the Council (Mr. Marshall) was recognized on a point of order and then the Chair recognized the hon. the Leader of the Opposition (Mr. Neary) to that point of order.

It is the opinion of the Chair that the hon. the Leader of the Opposition is certainly not speaking to the point of order raised by the President of the Council.

MR. NEARY: Mr. Speaker, there are all kinds of precedents, that has been the procedure and that is our interpretation of the rules of this House.

MR. NEARY: It is very rarely, by the way, a matter of privilege is raised. But, as Your Honour knows, because of the serious circumstances surrounding this afternoon's proceedings when our privileges were being breached by the member for St. John's North (Mr. Carter), Mr. Speaker - we cannot function as individual members if that is allowed to continue-and that is why we were forced to raise a point of privilege. So, Mr. Speaker, my hon. friend, in my opinion, does not have a point of order. We should carry on with the same procedure that we have been using in this House for a good many years.

MR. SPEAKER (Russell): Order, please! To the point of order raised by the hon. President of the Council, certainly the Chair does not interpret it as questioning any decision that might be made by the Chair but pointing out the fact that maybe the Chairman of Committees could deal with the point as to whether or not a prima facie case has been established, and, if the Chairman of Committees rules that a prima facie case has been established, he then reports to the Speaker, and the House itself deals with the matter.

The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, before moving the adjournment of the House, I would like to advise the House that this evening at 7:30 the Resource Committee will examine the estimates of the Department of Fisheries; tomorrow morning at 9:30 the Government Services Committee will examine the estimates of the Department of Municipal Affairs; and tomorrow evening at 7:30 the Social Services

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Tape No. 607

NM - 2

MR. MARSHALL: Committee will conclude its examination of the estimates of the Department of Education and begin its examination of the estimates of the Department of Health.

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.

On motion, the House at its rising adjourned until tomorrow, Tuesday, April 3, 1984 at 3:00 P.M.