



Province of Newfoundland

FORTIETH GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume XL

Second Session

Number 27

VERBATIM REPORT
(Hansard)

Speaker: Honourable Patrick McNicholas

Tuesday

6 May 1986

The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):
Order, please!

Before calling Statements by Ministers, there was a point of privilege raised yesterday by the hon. the Minister of Consumer Affairs (Mr. Russell) which was in connection with comments resulting from an interview he had. I must rule that there is no prime facie case. The minister took the opportunity of clarifying matters attributed to him.

I might add that I did hear the news last night and that inaccuracy was corrected.

Oral Questions

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
The Premier is quoted in today's Evening Telegram as blaming the people of this Province for the abandonment of the Newfoundland railway. I would like to ask the Premier is he trying to place the blame on the people of this Province in order to make it easier for himself to put the interests of the Conservative Party ahead of the interests of the people of this Province and the railway?

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
How foolish, Mr. Speaker, how silly a question from the hon. the

Leader of the Opposition. All the Leader of the Opposition can do is read the papers. The kind of research that the Opposition do on posing questions to the government, I mean, is lamentable, to say the least. What I said yesterday, and I do not know it even needs repeating to the Leader of the Opposition, honestly, for the kind of question that he would ask, was that over the years, back when we had the passenger rail service and so on, there was at the same time a large increase in improvements in road transportation and people started to use the roads and not use the passenger service and gradually over time hardly anybody was using it. That is what happened. It is also linked, of course, to what we have been saying about traffic offering and so on.

I am not blaming anybody. I also said in that same statement that the federal government has not, whatever their political stripe, lived up to their responsibilities in ensuring that we have a very viable and competing transportation mode called the railway. They have let it run down over the years. So the federal government has a very major responsibility here, an obligation, and they are found guilty, I think, by the majority of Newfoundlanders in the way that they have handled the railway. At the same time Newfoundlanders themselves, both from a passenger as well as from a freight point of view, have not gone out of their way to use the railway.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:

If the Premier wants to do a bit of research let us try this one. How about the Premier's quote on October 9, 1980? Does the Premier stand by this quote which was carried by CP on that date, where the Premier said that 'Newfoundland sees its demands for an improved railway system, including resumption of passenger service, as being a right under the Terms of Union with Canada and not linked with possible federal spending on needed highway improvements'?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Exactly, Mr. Speaker. We are now in the process of trying to persuade the federal government to do a major, major upgrading on the railway. That is our position. We want the railway not retained in the way that the Liberals had it retained over the years so it gradually eroded away over time so we lost everything by default. What we have been advocating, and trying to persuade the federal government to go along with, is to have a significant upgrading of the railway so that it becomes a very, very viable, competing mode. What has happened over the years is, through Liberal inaction, that we have seen the railway deteriorate. That is what has happened to it. And now we have bridges on the railway system where the railway now has to slow down to five miles an hour in order to meet safety standards to get across to the other side of the river. That is what we have got. And that is what I said then and I stand i, and that is what

should have happened at that time. When I argued for that point, what did I get? I got silence in Ottawa and I got contempt from the Opposition.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, in light of his statements yesterday that he questions Newfoundland's constitutional right to a railway, does the Premier now disagree with the findings of the Sullivan Commission which decided that there was a constitutional right to a railway? How does the Premier explain his position in light of the letter from Prime Minister St. Laurent, dated December 11, 1948, which was supplied and referred to in the Sullivan Commission -

MR. WARREN:

How old were you then?

MR. J. CARTER:

What about Phelan Committee?

MR. SPEAKER:

Order, please!

MR. PATTERSON:

You sold out.

MR. BARRY:

We have already heard that the Premier does not listen to the member for Placentia (Mr. Patterson), Mr. Speaker.

MR. SPEAKER:

Order, please!

MR. BARRY:

I am being interrupted, Mr. Speaker, by members opposite and

ask for your protection.

Does the Premier not realize that weakening the position with respect to the railway in the Constitution has the effect of destroying the Province's case in this appeal which was only filed a month ago in the Ace versus Terra Transport case where the Province is trying to reverse the decision there which forced TerraTransport to increase its rates? Does the Premier not realize what he is doing when he attacks Newfoundland's constitutional position?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, now the truth is coming out. If we want to go looking at the letter which I will come to in a second, seeing the Leader of the Opposition referred to it, let us go back first to Term 31 where the following is said: 'At the date of union or as soon thereafter as practicable Canada will take over the following services: (a) The Newfoundland Railway including steamships and other marine services. That is all it says in 31, "take over." I value the Leader of the Oppositions legal advice. We have had his legal advice before, and a number of cases have gone down the drain as a result, but that notwithstanding, Mr. Speaker, that is what 31 says. Now, on freight rates there is another one, Term 32 (2), which says 'for the purpose of railway rate regulation,' and it is under that section that we are arguing from the Terms of Union, not under 31. I know the Leader of the Opposition's name is on the Sullivan Commission. He was a

research consultant for the Sullivan Commission on the railway. He got some money from that, he got some money from the government on the offshore, he got some money from the government on the Corporations Act in 1978 when he was in Dalhousie. Now, there is a letter that the Leader of the Opposition referred to; it is a letter, it is not in the terms of union. Mr. Walsh was the head of the delegation for Newfoundland at the time of the signing of the Terms of Union. 'Dear Mr. Walsh: During the course of our negotiations covering the final terms and arrangements for the union of Newfoundland with Canada a number of questions concerning government policy' - policy now - 'were raised by your delegation and answered by the Canadian government. In addition a number of temporary administrative arrangements were settled in order to facilitate the union.'

Now, Mr. Speaker, 'It would not seem fitting to include in formal terms of union matters of this kind since they are scarcely of a constitutional nature. I am therefore sending you the enclosed memorandum covering the various items' - one of them being the Newfoundland Railway. It also says in the Newfoundland Railway schedule to that letter, which was not constitutional, which was just a government policy, 'Newfoundland Railway: After the date of Union, the Canadian National Railways will be entrusted with the responsibility of operating the Newfoundland Railway and Coastal Steamship Services, and it will be their responsibility to see that services are furnished commensurate with the traffic offering. Number one, Mr. Speaker, contrary to the legal advice that perhaps the Leader of

the Opposition gave the Sullivan Commission, our legal advice - the Leader of the Opposition might not be right all the time, there might be other people who have legal advice - is that this was a statement of policy in a letter and, even if the letter had some legal status, which we are advised it has not, it would be commensurate, in any case, with traffic offering.

Now I know the Leader of the Opposition did some work for the Sullivan Commission and he might have advised differently. I can only tell the Leader of the Opposition that there are a battery of lawyers around who might not necessarily agree with everything the Leader of the Opposition says.

MR. BARRY:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

I would ask the Premier whether he read the entire letter from the Prime Minister and why was it he left out the portion that says, While these will not form part of the Terms of Union, they contain statements of the policy and intentions of this government if union is made effective? In other words, that was the basis, that was the intention of the Government of Canada and part of the bargain in terms of going into Canada. Is the Premier now trying to argue the Government of Canada's case because he wants to sell out Newfoundland and sell out the Newfoundland railway?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, the Leader of the Opposition started off by talking about freight rates and the Ace case and I answered the Leader of the Opposition because he was referring to another term which dealt more clearly with rates as related to the CN in Newfoundland, which was a separate term altogether. Term 31 in the Terms of Union only says take over the railway.

Now I read the whole letter as contained in the Statutes. Dear Mr. Walsh. Ottawa, December 11, 1948. I read the whole letter into the record, Mr. Speaker, as I have it here. It is a letter -

MR. BARRY:

Table it.

PREMIER PECKFORD:

Sure I will table it. I have it here to table. I will table it. Here is the letter. That is what the letter says. During the course of our negotiations covering the final terms and arrangements for the union of Newfoundland and Canada a number of questions concerning Government policy and this is a letter, not a term of union. I wish it was a term of union. I wish it was not just a statement of policy, Mr. Speaker.

The former Leader of the Opposition (Mr. S. Neary) here the other day, told me outside the House, because obviously he is not a member of the House now, that they had confirmed that many, many times when he was a minister in Mr. Smallwood's government years ago. Policy was raised. 'It would not seem fitting to include in

formal terms of union matters of this kind, since they are scarcely of a constitutional nature,' Mr. Speaker.

So the Leader of the Opposition can rant and roar all he likes, and I will table this for the Leader of the Opposition's benefit, but all I am saying is, Mr. Speaker, that from the best legal advice that we can get, contrary perhaps to what the Leader of the Opposition would want to do, it is not an airtight case. One good thing about it is that because the word 'railway' is mentioned in the Terms of Union it does elevate it and give it a far more consequential nature than if it was not there. But to say that we have an airtight legal case as it relates to the railway would be misleading . the people of Newfoundland and Labrador and I have no intention of misleading the people of Newfoundland and Labrador.

MR. CALLAN:
Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, could I have just one final supplementary?

MR. CALLAN:
I yield, Mr. Speaker.

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

MR. BARRY:
I thank my colleagues.

Let us understand. Would the Premier indicate at what point and for what reason the Premier changed from his position as

stated on January 18, 1980 as follows: 'The railway must be made attractive to users; it must be made to work. The Government of Canada has that constitutional obligation under the Terms of Union'?

PREMIER PECKFORD:
Absolutely.

SOME HON. MEMBERS:
Hear, hear!

MR. TULK:
You said that. Have you learned to read since then?

MR. BARRY:
Now, was it when the federal Conservative Party come to Ottawa that his conversion came about? Is that when he changed?

MR. TULK:
Exactly.

SOME HON. MEMBERS:
Hear, hear!

PREMIER PECKFORD:
We still hold the view that they have that responsibility and our position is retain it and significantly upgrade it.

MR. TULK:
Constitutional right, you said.

SOME HON. MEMBERS:
Hear, hear!

MR. CALLAN:
Mr. Speaker.

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

MR. CALLAN:
Mr. Speaker, I want to ask the Premier if he has changed his mind as well about the railway. Five years ago, when the Premier took

that infamous trip from Whitbourne to Bishop Falls, the Premier was quoted as saying many things, and among them, 'Our policy on the Railway is not based on nostalgia but upon the certain fact that we will need the railway in an energy-expensive future; that we will need the railway to meet demands of offshore oil; that we will need the railway to ensure that we have the flexibility and intermodal competition of direct water, truck and rail.' Let me ask the Premier, is he as committed today as he was five years ago and, in that respect, is the Premier planning another cross-Newfoundland or cross-Canada trip to fight for the railway? Will he do that?

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
Mr. Speaker, I do not know how many times I have to tell the hon. gentlemen opposite, either the hon. the member for Bellevue or the Leader of the Opposition or anybody else - I know it hurts them, I know it grates them - that our position on the railway differs from the Liberal Party's when they downgraded it and saw the passenger service go. Which party was in power, Mr. Speaker, when we lost the passenger service, which put the first nail in the coffin of the railway of Newfoundland? Now we are trying to reverse it. We still hold our position, Mr. Speaker, and are trying to persuade the federal government. Do not be wishy-washy like the Liberal Party was, do not be wishy-washy, but retain it and watch it go down the drain because there is no money spent on it. We want it retained plus hundreds of millions of dollars spent on it - not tens of millions of dollars

like The Evening Telegram said today, they did not put the zero on there - otherwise, you will not have a railway in five years time.

SOME HON. MEMBERS:
Hear, hear!

MR. CALLAN:
A supplementary, Mr. Speaker.

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

MR. CALLAN:
Mr. Speaker, it is obvious that the Premier refused to answer the question. He is not prepared to do a selling job over this matter as he did with other matters. There are no Telexes going to Ottawa. Let me ask the Premier, Mr. Speaker, will the Premier sell the railway? Is that his idea, to sell the railway because of the dim hopes for the immediate future in offshore oil, and the rest of the economy in ruins? Will he sell the railway? Is that his intention, to sell the railway for a highway and a few short-term jobs? Is that the Premier's intention?

PREMIER PECKFORD:
Mr. Speaker, I can just repeat what I said. We are trying to persuade the federal government to commit hundreds of millions of dollars to the Newfoundland Railway. That is our position, and we are still trying to persuade the federal government to come to our position. And hopefully, when they give us a proposal, it will be that position. Hopefully, it will. That is our position -

SOME HON. MEMBERS:
Hear, hear!

PREMIER PECKFORD:

- unlike the Liberal Party's, which was to see the railway go out. They were the ones who closed down the passenger service.

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, I want to go back to the subject of the St. Laurent/Walsh letter of 1948. I heard the Premier quote, but I believe he was commenting, rather, that this is a letter, not a Term of Union. Does he indicate to the House that he does not see that the Government of Canada has any constitutional obligation under the Terms of Union in respect of the railway?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

I made it quite clear that the Terms of Union themselves are silent on the railway in Newfoundland into perpetuity. The Terms of Union are silent. All it says is take over the railway.' Now, there was a letter from the Prime Minister of Canada at the time to Mr. Walsh, the head of the Newfoundland delegation. I can only tell the member for Fortune - Hermitage that all the best legal advice that we have - and we have been at this for a number of years - is that this letter, because it is not part of the Terms of Union, does not have the same strength as the Term of Union, number one; number two, that the letter itself defines that the issues under discussion in this letter are not constitutional. So I think it is

pretty clear, then -

MR. SIMMONS:

Yes, very clear.

PREMIER PECKFORD:

- that from a strict, technical, constitutional point of view, it is not airtight, that if we went to court, we could persuade a court to say, 'Yes, this letter, plus this Term means that the federal government has to keep the railway going in Newfoundland into perpetuity.' It is not clear-cut that we could win that. As a matter of fact, most if not all the legal opinions that we have had on it are that we would have a less than 50/50 chance of succeeding in persuading a court to rule in our favour, because the letter is a letter, and the letter itself talks about things in that letter not being matters of the constitution.

MR. SIMMONS:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, I understand perfectly well what the Premier is saying. He is saying that the terms are silent and he is saying that he has good legal advice. Is it possible he had different legal advice on January 18, 1980 when he said, and I quote, 'The Government of Canada has that constituted obligation under the Terms of Union'? The preceeding statement said 'the railway must be made attractive.' Is he now disowning that statement of January 18, 1980? Because I submit to him it is a very different position than he has put today in which he says the terms are silent on the matter.

MR. TULK:
Are not airtight now.

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
No, and they were not airtight then.

MR. TULK:
Constitutional rights are airtight, would you not say?

MR. SPEAKER:
Order, please!

PREMIER PECKFORD:
Because we took the position that we took at the time, Mr. Speaker, we achieved how much money on the railway?

MR. DAWE:
Seventy-four million dollars.

PREMIER PECKFORD:
Because of our position on the railway then, in the quote that the member for Fortune - Hermitage just gave, we were successful in persuading a federal Liberal government, that wanted to see the railway destroyed altogether, to spend \$74 million on containerization and a study to try to make it work, Mr. Speaker.

MR. DECKER:
Mr. Speaker.

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

MR. DECKER:
Just a short question for the Premier. He has written off Term 31 and used Term 32 to do it. Are there any other Terms of Union which are not airtight in the Premier's opinion, or is the whole Confederation up for grabs?

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
Mr. Speaker, Term 31 is airtight in what it says. Term 32 is airtight in what it says and Term 33 is airtight in what it says. But if it does not say, if it is not there, well, then I suppose it cannot be airtight, can it? The Terms of Union mean what they say and say what they mean. That is the long and short of it, Mr. Speaker. That is where we have come. I am sorry if the hon. the member for the Strait of Belle Isle cannot understand that.

MR. DECKER:
A supplementary, Mr. Speaker.

MR. SPEAKER:
A supplementary, the hon. the member for the Strait of Belle Isle.

MR. DECKER:
Will the hon. Premier tell this House and the people of Newfoundland whether or not he has read Term 32? Because Term 32 is referring to the traffic offering a freight and passenger service between North Sydney and Port aux Basques.

MR. PECKFORD:
Steamship.

MR. DECKER:
Steamship or whatever. It says nothing about the railway across this Province. Obviously he has not read it.

SOME HON. MEMBERS:
Hear, hear!

MR. DECKER:
A supplementary, Mr. Speaker.

The Premier is using 32 to nullify

31.

PREMIER PECKFORD:

No, I am not.

MR. DECKER:

But 31 refers to a service, which is just playing around. Will the Premier explain how he can justify that Canada will take over the following services? He is just trying to back up his buddies in Ottawa. The Term of Union is solidly clear and the Premier knows it is Premier knows it is.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

The hon. member must have rocks in his head. I mean, I do not know.

MR. DECKER:

You have not read it.

PREMIER PECKFORD:

Section, section, section -

MR. DECKER:

The following services.

PREMIER PECKFORD:

I have just said 'section' three times.

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

Section 31.

MR. DECKER:

Read the complete term.

PREMIER PECKFORD:

The complete Term 31: 'At the date of Union, or as soon thereafter as practicable, Canada will take over the following services and will as from the date of Union relieve the Province of Newfoundland of the public costs incurred in respect

of each service taken over, namely, the Newfoundland railway, the Newfoundland Hotel'-

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

It is a service they are taking over -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

- and they are going to take over the cost.

MR. DAWE:

How about the lighthouses and the marker buoys that are no longer there? They are all in there too.

PREMIER PECKFORD:

Just listen now. The Newfoundland railway; the Newfoundland Hotel; postal and publicly-owned telecommunications; civil aviation, including Gander; customs and excise; defense; protection and encouragement of fisheries and operations of bait services; lighthouses, fog alarms, buoys, beacons, and other public works; - most of them gone.

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

All that its says, Mr. Speaker, here, I mean, you can read what you want into something if you want to.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

I am tired of having to shout for order from each side. I think we will have to deal more drastically with this if it continues. It is impossible to hear questions or to hear an answer.

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, it says 'will take over and relieve the Province of Newfoundland of the public costs.' Does that mean perpetuity, 'will take over'?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! Order, please! Would you please keep silent when somebody is answering a question! I have been repeatedly calling for silence and it happens on this side, but particularly on my right today.

PREMIER PECKFORD:

Mr. Speaker, I can only say that hon. members opposite might want to read in what they want to read in, and that is fine with me, but the legal opinions we have received are that there is no implicit or explicit meaning to Term 31 which means perpetuity. And, furthermore, if members of the Opposition think that this letter has some great worth, and the Leader of the Opposition thinks it has a lot of worth, then he is eating his own words because the letter says that items like the railway are not constitutional; therefore, you are contradicting yourself. You cannot have it both ways; either the letter means something or it does not, and Term 31 means something or it does not. With all due respects to the member for the Straits for his legal opinion or

his advice on this, I can tell the member that the legal opinions that we have from the best minds around are that that would not hold up in court as being perpetuity and most hon members know that to be true.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Thank you very much, Mr. Speaker.

My question is also for the Premier - if he is paying attention. Since yesterday, when the Premier started talking about the defects in the constitutional argument for the railway, I have had a number of people come to me and ask if the government is now seeing that as a change in their strategy, and are they indeed now starting to look at negotiations with regard to eliminating the railway and putting something else in its place. My question to the Premier is this, and I would like to put in a second part to the question because I think we are coming to the end of Question Period. Does the fact the the Premier is now talking about the defects in the argument indicate that the government is now considering the possibility of looking at the abandonment of the railway? And, secondly, since one of the key phrases that has come up is the amount of traffic offering as part of that term, could he give us some indication of what the actual circumstances are in terms of freight with the railway? Is there a lot of traffic being offered? Is it going down? Is that one of the reasons we are changing our position here?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, when the federal government decided some time ago to get involved with rate increases, and when they started talking about the railway anew in the last few months, we went to our legal advisors and had a comprehensive review done of the situation in line with all the other work that had been done before. We asked ourselves, if the federal government is serious about this, can we take the federal government to court on the railway and have a good chance of success? Can we take the federal government to court on freight rates and have a good chance of success? Can we argue because it is mentioned in the Terms of Union, that they have not lived up to their responsibility to upgrade, which is the best way for us to go?

We decided, after a lot of review, yes on freight rates we can take them to court. And it is quite likely we will, on the question of freight rates, because we have a previous decision of 1951 in our favour on the freight rate thing by the way, because of Section 32 which is clear and concise on it, that freight rates have to be the same as they are in the Maritimes. There is no question there. We will take the federal government to court on the freight rate issue because we have a real good chance of success.

On the railway, it was decided that we do not, that we could not take them to court and win that. But, number three, we would argue vehemently that because it has been here since 1949 that we would try to persuade the federal

government - we do not want to do what happened in the last ten years - and try to get a significant amount of money upfront to upgrade the railway. Then you have a chance of saving it. That is the way we came to that kind of decision.

Now, on traffic offering, on the freight service right now on the railway it is somewhere between 20 and 24 per cent of all the freight in the Province. That was due in large measure because we persuaded the federal government to spend \$74 million on containerization.

MR. FENWICK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Menihek.

MR. FENWICK:

The supplementary, in fact is double-barrelled again. If we are looking at 24 per cent, since you said 24 per cent of the freight carried in the Province is on the railway now, is that down from the last couple of years or is that going up? That is part of the question. The other part I would like to ask is: If we have to take a 24 per cent increase on the highways of this Province, what kind of additional burden are we seeing? I assume that a lot of this freight is the very heaviest kind of freight that is put on the railway itself and we are going to see a tremendous amount of it. Is there any possibility of any circumstances that a road could be built up to the strength that we need in order to compensate for the amount of battering it will take?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, what happened was when containerization came in, for the first couple of years, there was not a significant increase, although there was some increase in the amount of freight that went on the railway. I am looking at the Minister of Transportation (Mr. Dawe) because he would have the numbers better than I.

MR. DAWE:

It went up to almost 34 per cent.

PREMIER PECKFORD:

It went up to almost 34 per cent, but in the last couple of years it started to fall back again because of water transport competing, Ace and others into St. John's, which we opposed at the time, so we are down about 8 per cent over last year now. It has been declining. There are two or three components in the freight situation which are very important, the Long Harbour product is one. What was the other one?

MR. DAWE:

The other was Propane.

PREMIER PECKFORD:

The other was propane. There is a problem there with Long Harbour and with propane and some other kinds of commodities like that.

On the second part of your question, it is not easy to answer because of the possibilities of a water mode and how much a water mode would take versus how much the road mode would take. It is hard to quantify.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

Could I just briefly ask the Premier this question? The Premier a few years ago approved the issuing of a policy statement on the railway, I think Mr. Cabot Martin, the Premier's policy adviser was involved in that and provided advice, and included in the conclusions and recommendations is the following: after referring to the fact the Province will not allow the prospect of decreased federal funding for other modes to influence its position with respect to the Newfoundland Railway, the study said; 'The Province takes this position not only because the promises made at the time of Confederation were solemn ones and should not be repudiated by the Federal government merely because their present impact is, in their view, more onerous than anticipated in 1949.' At what point in time did the Premier arrive at the conclusion that these promises made at the time of Confederation were not solemn ones and that they could be repudiated by the federal government? Was it at the date of the federal election that the Premier changed his position?

MR. TULK:

September 4, 1984.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, they are still solemn promises, but that does not mean that they are constitutionally enforceable. They were solemn promises, but what we are saying is that from the best advice we have that it is very, very dicey

as to whether we could make those solemn promises hold up constitutionally in the Supreme Court of Canada. They are solemn promises, that is why we want the railway upgraded.

MR. SPEAKER:
Order, please!

The time for Oral Questions has elapsed.

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

MR. SPEAKER (McNicholas):
A point of order, the hon. the Leader of the Opposition.

MR. BARRY:
Mr. Speaker, we have seen some very serious statements made by the Premier here today, unheard of in terms of going into negotiations and undermining the Province's case by saying that the case is weak before going into negotiations. I would just like to refer the Premier and ask -

MR. TOBIN:
That is a question.

SOME HON. MEMBERS:
Oh, oh!

MR. FUREY:
It is a point of order.

MR. SPEAKER:
Order, please!

MR. BARRY:
Mr. Speaker, there is something here at stake which is very important to this Province and I would ask the Premier -

MR. SPEAKER:
Order, please!

MR. BARRY:

On January 18, 1980 -

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

I would like the hon. the Leader of the Opposition to come to his point of order. So far he certainly has not.

MR. BARRY:
Of course, Mr. Speaker, as soon as I am not interrupted.

Mr. Speaker, on January 18, 1980 the Premier said that he was confident that the forceful arguments of the hon. John Crosbie and the hon. Jim McGrath will also do its part to show that the commitment to the revitalization of the railway is real.

MR. SIMMS:
That should be for Question Period.

MR. BARRY:
Now we have a Cabinet minister in Ottawa.

MR. SPEAKER:
Order, please!

MR. BARRY:
Is the Premier going to stand up and tell us what the position of that Cabinet minister is now?

MR. SPEAKER:
Order, please!

MR. BARRY:
Is it still unswayed?

MR. SPEAKER:
Order, please!

MR. BARRY:
Is it still unswayed?

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

PREMIER PECKFORD:
Mr. Speaker, you are allowing the man to get up and make a speech.

MR. SPEAKER:
Order, please!

That is no point of order.

PREMIER PECKFORD:
He knew that when he said he was going to get up and come to his point of order.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

Petitions

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER (McNicholas):
The hon. the member for Menihek.

MR. FENWICK:
Thank you, very much, Mr. Speaker.

I rise to present a petition on behalf of the Mayor of Conche, Cecil Byrne, the Deputy Mayor of Conche, Ralph Carroll, three councillors of Conche, Theresa Casey, Philip Flynn, John Bromley, and the Town Clerk of Conche, Labora Whelan, and myself. The petition reads as follows: "We, the undersigned municipal councillors, petition the Minister of Municipal Affairs to stop distributing loans for water and sewerage and paving on the basis of political patronage and start distributing them on the basis of need."

MR. SIMMS:
That is the first of at least 500 petitions is it?

MR. FENWICK:
No, that is for the encyclopaedia. This is different.

Now, Mr. Speaker, it is obvious why we are raising the petition at this time. We are just about through the Budget Speech. We will be through the concurrence debate over the next couple of days. We will soon be hearing where all the water and sewerage and paving projects will be announced and we want to remind the minister that we have clearly shown in the past that he has discriminated badly in favour of Tory districts, 96 per cent on the paving projects and almost as bad on the water and sewerage ones. We want to remind the minister to improve his act this time.

We have a council here which is obviously outraged by the discrimination of the past and would like a little bit of paving done in their community as well. So, it is something that I would like the Minister of Municipal Affairs (Mr. Doyle) to stand up and support, this idea of eliminating this kind of patronage. I am very curious to hear his comments on it.

MR. SPEAKER (McNicholas):
Order, please!

I have this petition and it certainly seems to be out of order. It is not a petition to the House and the whole tone of the petition is not acceptable as far as a petition is concerned. I must rule it out of order.

MR. BAIRD:
Apologize! Apologize!

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

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

MR. FENWICK:
Mr. Speaker, for my information can you indicate to me what are the Standing Orders that we have that make the petition out of order?

MR. SPEAKER:
I do not have the Beauchesne quotation here at the moment. All I can say is that, for one reason, it is out of order because it is not a petition to this hon. House.

MR. FENWICK:
It is addressed to the House.

MR. SPEAKER:
It is addressed to the Minister of Municipal Affairs (Mr. Doyle).

MR. FENWICK:
I was asking the Minister of Municipal -

MR. SPEAKER:
I have ruled the matter is out of order.

MR. FENWICK:
Mr. Speaker, I would like to appeal the ruling from the Chair, please. I do not know how many more I need on that.

MR. SPEAKER:
Order, please! All those in favour of upholding the ruling of the Chair, please say 'Aye'.

SOME HON. MEMBERS:
'Aye'.

MR. SPEAKER:
Those against?

SOME HON. MEMBERS:
'Nay'.

MR. SPEAKER:
The ruling is upheld.

Are there any further petitions?

MR. HISCOCK:
Mr. Speaker.

MR. SPEAKER:
The hon. the member for Eagle River.

MR. HISCOCK:
Mr. Speaker, I rise to present a petition on behalf of the residents of the community of Cape Charles/Lodge Bay. "We, the undersigned, would like to petition the House of Assembly that the Cape Charles School be opened this coming September for four to six weeks until the residents move into Lodge Bay."

Mr. Speaker, Cape Charles and Lodge Bay, as the Premier knows because he used to be a social worker down there, is a dual community. It is a unique community. It is one of the few communities that is left where, come Spring, they move out and take the post office, their school, their store and everything out with them, as well as their fishing equipment.

PREMIER PECKFORD:
They are hard-working people.

MR. HISCOCK:
Also, as the Premier just said, they are hard-working people. They stay out longer than any other people. They have always had a teacher. Cartwright and Cape Charles, as a lot of the members may not know, is one of the oldest communities in the Province. Captain Cartwright was

down there in 1776 with the Slades. They always had teachers down there. Over the years they moved into Lodge Bay in the Winter for fuel and for shelter.

In 1984 the school board took away the teacher from Cape Charles. The residents themselves never took the kids out of the school. They built the school through community labour, and children attended school when the school was open, but there was no teacher. The following year the same thing happened. The residents are concerned that the same thing will happen again this year.

Two years in a row the school board did not press charges, nor did the Vinland School Board, so, as a result, the parents are not breakers of the law. They are law-abiding people. As I said, they have not kept their kids out of school, even though there is no teacher.

They want one teacher for three to six weeks in the Fall.

PREMIER PECKFORD:

In Cape Charles, before they go to Lodge Bay.

MR. HISCOCK:

Exactly.

What can happen, Mr. Speaker, is the fishermen can stay out there longer.

We all know in this Province, particularly in Labrador, how difficult it is to make a living and also how difficult it is for the women to make a living and get the required work. This year, of course, they are going to have a smoker for smoking salmon in Cape Charles. We saw in 1984 - 1985

ten to twelve women working in fish plants, almost doubling the income of some families.

What they are saying is if they move into Cape Charles and the women have to move in and the children have to move in, the men will stay out. There will be nobody to look after the children and the women there in that period. The majority of the community is on one side, the school is on the other. The kids have to go back and forth in a boat to get to school. In the Winter they walk across the ice and in the late Fall and Early Spring they put the kids in a boat and they haul the boat over by rope. So, there is a danger there.

What they are saying is that if they had the school and one teacher out of the Lodge Bay school, then they would be able to stay out for three weeks. Security would be there. They would not have to worry about their wives and children and, as a result, the standard of living would be that much better.

Some of the people in the Vinland School Board argue that the children are suffering because the teachers that are in the school have to teach all the grades at one time, whereas if they are in Cape Charles, they can teach multigrades and not split up the teachers. Bring the two teachers in, bring all the kids in and divide them up then.

The argument that the people have is that the kids themselves will do the work. The teacher in Lodge Bay can send out instructional material and they will do the work and supervise it. The other argument that the people use down in Lodge Bay -

PREMIER PECKFORD:

There are two teachers in Lodge Bay in the Wintertime and they want one of them in Cape Charles for September and October.

MR. HISCOCK:

Yes, only for three to six weeks and that is the way it has always been. But the school board has taken the teacher away. The parents are arguing now that in St. John's, Gander and even places in Labrador, like Goose Bay and Lab City, come Easter weekend, parents can take the kids out of school for three weeks and send them on down to Florida to see Disneyland with no problems. The school board or the government does not enforce the attendance act for that period. What the parents in Lodge Bay are saying is that if we are still putting our kids in the Cape Charles school as soon as it is opened, the kids are there at the classroom but there are no teachers there. Is that going to happen again?

This is going into the third year. Who is going to press charges or are they going to press charges? The thing is that the parents want it brought to a head. They do not want this hanging over them, that they possibly might be breaking the law or they are breaking the law. They want to see justice and they want to see one teacher for those twenty kids.

The effect of cultural change, Mr. Speaker, of moving -

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

MR. HISCOCK:

In conclusion, Mr. Speaker, I

would ask that this be tabled. We are going to be having a meeting shortly. A one-man delegation, Mr. Gerald Pye is in for the meeting. The parents raised the money themselves to send him in which shows you the seriousness of the situation. I hope that some of the media will have the opportunity to meet with him.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, what these petitioners are looking for is not unreasonable. With today's situation in this Province, wherever jobs can be obtained, people have to move to them; wherever a livelihood can be earned, people move to that livelihood.

The fact is that, over the years, in a number of communities along the Labrador coast, there was a regular migration from Winter to Summer fishing communities. I think what we have here is a case of the institution being a bit to inflexible and the administrators taking the easy way out. What is required is some creativity, some imagination, some flexibility and some reasonableness to work out an arrangement whereby we can see people move out to the fishing community in the Summer but still have the children receive the education that they are entitled to. It should not have to be a trade off between earning a livelihood and seeing that your children are educated.

There is a very thorough brief set out here with very good arguments

and it should be looked at very closely. I am sure the minister, when he meets with Mr. Pye of the delegation, will give serious consideration to what is a very reasonable request, where people are saying, 'We want to earn a living but we do not want to have to make a choice between earning a living and sacrificing the education of our children or putting our children into situations which may be unsafe or otherwise.'

I would ask the minister to pay very careful attention to this petition and I am happy to offer our full support on this side of the House to the member for Eagle River in presenting this petition.

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, this is somewhat of a unique petition to the House compared to others that I have heard over the last several years. It is unique not only in itself, in what it does say, but in some of the comments made by the hon. member for the area that I can quite readily associate with and which I can validate.

I spent some time in Cape Charles and Lodge Bay, especially Cape Charles, two or three days one time, and I met most of the people who were there then. I know just exactly what the hon. member says when he says they are very, very hard workers.

Obviously, along the Labrador Coast and in many more communities, in St. Lewis, which was called Fox Harbour when I was

there, in George's Cove, Williams Harbour, Sandy Hook, where they come out from Port Hope Simpson, and on down to Square Islands where they come out from Charlottetown, Tub Harbour and Snug Harbour, a lot of them come out to the headlands to fish. It is true to say that the people of Lodge Bay/Cape Charles are perhaps even harder workers than a lot of the others and stay out fishing for a longer period of time.

It seems rather unusual for people who are trying to earn additional income to be penalized educationally because of their desire to want to do better and to stay out longer in pretty, pretty rough weather.

When you get down into the first part of September and onward on the Labrador Coast at Cape Charles, it can get pretty rough, when you see people who are trying to make a living. I just say to the hon. member, I know he is going to meet with the minister, and I know, obviously, Mr. Pye, because I guess that is the chief name in Lodge Bay/Cape Charles, or it was one of the big names and the old names of Cape Charles during the time I was there. As a matter of fact, I think where I stayed was at the house of the late Ken Pye, when I was welfare officer there. But, I would say to the hon. member and, through him, to Mr. Pye and the people of Cape Charles, if the women of the community are working on this extra processing of smoking salmon and salting and so on, it seems to me that would be an extremely good argument.

If it is a fact, then I cannot understand why, if the women are participating in the work force, staying out longer with the men

going out to fish and putting up with the harsher environment in September, why that would not be a compelling argument because the women are participating in that industrial or economic enterprise which dictates that they stay in Cape Charles longer than September 2, or September 3, or whenever school opens. It seems to me that would be an overriding factor in favour of one of the teachers coming to Cape Charles in the school that they have built for that four or five or six or seven or eight-week period, depending upon the weather. For the life of me I cannot understand why that would not be the most compelling, forgetting all the other moral arguments, which are substantial in their own right but, from a strictly economic point of view, if the community is going to do better over the next four to eight weeks because they are going to be there longer and the men and women together are going to be working that economic enterprise, that would seem to be in the long term best interest of education, economics, the community and of everything. It seems to me that -

MR. HISCOCK:

Would you write the school board?

PREMIER PECKFORD:

Well, I am going to leave it now to the Minister of Education (Mr. Hearn) as I understand he has a meeting lined up with Mr. Pye and the hon. member.

I just want to say that I find it an extremely unusual petition, one that, obviously, is very compelling in its argument and one that I think all members of the House would have to support. It seems to me that why that argument, of the necessity of the women staying beyond August, has

not been compelling to the school board, seems extremely unusual to me.

I am sure that the Minister of Education will sympathetically look at the situation and have the meeting and, hopefully in talks with the school board, the matter can be resolved because it is unique. Something should be done to correct that kind of situation.

Orders of the Day

Motion, the hon. the President of the Council to introduce a bill, "An Act Respecting the Power To Approve By-Laws And Regulations Passed By Various Associations Of Professionals," carried. (Bill No. 34).

On motion, Bill No. (34) read a first time, ordered read a second time on tomorrow.

Motion, the hon. the Minister of Finance to introduce a bill, "An Act To Amend The Public Service (Pensions) Act," carried. (Bill No. 35)

On motion, Bill No. 35 read a first time, ordered read a second time on tomorrow.

MR. MARSHALL:

Order 3.

MR. SPEAKER:

Order 3, the Concurrence motion. The debate was adjourned by the hon. the member for the Strait of Belle Isle who has three minutes left.

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

MR. DECKER:

Mr. Speaker, I apologize for being out of the House when I was called. I will not let it happen again. I was making the point, which became quite vivid and clear in the Estimates Committees, Mr. Speaker, that what we are finding in this Province today is that ministers have taken on the role of civil servants. Instead of giving leadership and direction to their departments the whole thing has turned bottom up, and now the ministers are really the civil servants and the top civil servants are giving what bit of direction we are getting.

Now, Mr. Speaker, this is unfair to the people of Newfoundland and it is unfair to the top civil servants, as well. Firstly, it is unfair to the people of Newfoundland because when they go to the polls every second year, as it has been recently in Newfoundland - with a normal, sane government you go to the polls every four years - people try to change the direction of government or they try to maintain the direction of government, whatever they wish. What is happening in this Province, Mr. Speaker, is the people out there who are voting are not getting the opportunity to vote for the people who are doing the governing because, when an election is called, it would be highly irregular to have a whole list of civil servants, and a whole list of deputy ministers, and a whole list of assistant deputy ministers, and a whole list of advisors. That would be highly irregular and highly inappropriate, Mr. Speaker, therefore, it is not fair to the people of Newfoundland who, when they vote for their member, are voting for a government that is to lead and direct and set out a path that we are going to follow. This

is not happening, therefore, it is not fair to the people of this Province. When they vote for a member, they expect him to be a leader, they expect him to govern. In actual fact, Mr. Speaker, what we have ended up with is a group of ministers who are now taking orders from the civil servants. In fact, they are even beginning to look like civil servants, they look so contented, they look so relaxed, as if they do not have to answer to the public anymore. So it is unfair to the people.

Secondly, Mr. Speaker, it is unfair to the civil servants themselves.

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

MR. DECKER:

Thank you, Mr. Speaker.

MR. PEACH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Carbonear.

MR. PEACH:

Thank you, Mr. Speaker. Last day, in the fifteen minutes I had at the beginning, I indicated that I wanted to make some comments on the total discussions that took place at the Resource Estimates Committee.

I realize I will be using up ten minutes now, but I just want at the outset, Mr. Speaker, to set the record straight on a comment that was made yesterday by the member for Fortune - Hermitage. In my opening comments yesterday, I did not say that the member for Fortune - Hermitage refused to

take the Chair at the meetings. I did say that the member was on government business during the first week, and that the member for Humber Valley took the Chair on one occasion and, as a matter of fact, his colleague, the member for St. Barbe, very obligingly replaced me in the Chair on a couple of occasions as did member for Mount Scio, and the member for Fortune - Hermitage, as well. But there was that one occasion in question.

However, Mr. Speaker, in my comments yesterday on the Resource Committee's examination of the estimates of the Department of Fisheries, I mentioned that one of the topics that was of importance to me and to my district, to that entire area, I suppose, of Trinity Bay - Conception Bay in particular, was the proposal of a middle distance fishing fleet.

Mr. Speaker, we all realize that many of the fish plants on the Northeast Coast are seasonal plants. The plants in Port de Grave, Harbour Grace, Carbonear and Old Perlican are plants which fit into that category. The exception now, I guess, is the plant in Harbour Grace. Since it has come under new ownership, it has access at the present time to one vessel capable of going offshore and taking part in the offshore quota, a part, I might add, that the Minister of Public Works and Services, the MHA for Harbour Grace (Mr. Young), and myself and the member for Trinity - Bay de Verde (Mr. Reid) worked very hard for over the past number of months, prior to the Christmas season, to ensure that when that plant was to be sold that it would be a viable operation. In doing so, we had a great deal of co-operation from the federal MP,

Captain Morrisey C. Johnson, from the federal officials in Ottawa, from the Provincial Minister of Fisheries (Mr. Rideout) and from his officials, who accompanied us to Ottawa at the time. We were successful in securing an allocation of 2,000 tons of fish that was not taken by the Spaniards. I am sure that enhanced the sale of the plant at Harbour Grace, in particular, and we hope it will be beneficial to the entire area of Trinity - Conception.

Mr. Speaker, the mid-distance fishing fleet is something that many of our offshore plants have to take part in, and plants in my district are no exception. They have made representation to the minister, and have gotten a great deal of co-operation from him, to be either part of the mid-distance fleet themselves or to be part of other groups that I am sure will be making written representations and proposals to our provincial minister, over the next number of weeks, with regard to how they can best avail of the mid-distance fleet to ensure, whether it be the Saltfish Corporation or FANL or the independent group that is out in that area, use of that source of raw material that is absolutely necessary.

We all realize, Mr. Speaker, that in the future those independent and seasonal inshore plants are not going to be able to operate on the amount of fish they get from the inshore. They are not going to be able to operate with the supply of fish coming to them for a couple of months during the trap season. They are not going to be able to operate with an additional small amount of fish from the resource short plant programme. Many of those plants, Mr. Speaker,

incur a great deal of expense during the off season as well as during the in season. As a matter of fact, the plant in Carbonear, Earle's Fishery, has the same expenses Wintertime as it does in the Summer. Their's is not a plant where you can pull a switch, as you can with many of them, close the doors and that is it. They have an old type of a system in place that works exceptionally well, but their freezing facilities cannot be shut down with the pull of a switch.

Mr. Speaker, in the years ahead, if they are going to have at least an eight or a nine month operation - I am not sure they can operate any longer than that because of shutdowns for maintenance and various other reasons - they have to have another supply of fish. They are very strong on that and I support them fully. The mid-distance fleet is one answer to the problems of many of those inshore plants. It is worthy to note, also, Mr. Speaker, that in the case of Earle's operations in Carbonear, they not only have Earle's Fisheries there but they also have Earle's Protein, a fish meal plant that is among the best, if not the best fish meal plant in the Province. It looks after the fish offal, the fish waste from all over this Province.

Summertime, of course, the plants in Port de Grave, Harbour Grace. Old Perlican and the other ten or fifteen fish plants that are in the member for Trinity - Bay de Verde's (Mr. Reid) district would not be able to operate, nor the plants at Grates Cove and Bay de Verde, unless they were able to get rid of their fish offal. That has to be trucked in, Mr. Speaker, to the plant at Carbonear and stored under very, very good

conditions indeed. There are very few comments from people who live in close proximity to that plant. It is now in need of expansion and remodelling, that I am sure they are going to get into.

Mr. Speaker, as I am sure hon. members who were quite concerned and involved with the fishery know, last year was not a good year for fish meal. As a matter of fact, a great surplus of soybean and soy oil was on the world market, and the bottom dropped out of the fish meal market. If it had not been for some measures taken at the time by our provincial Department of Fisheries, many of the fish plants in our Province which have to send their fish offal to the plant at Harbour Grace would not have been able to operate. As a matter of fact, during the Winter season it is not uncommon for fish offal to be trucked in from Port aux Choix. National Sea, whose fish is landed here in St. John's, they truck pretty well all their fish offal out to Carbonear during the Fall and Winter season. The plant operates twelve months a year. It has about eighteen permanent staff and, of course, during the Summer season that increases, and with the caplin and the inshore fish they operate a full twenty-four hours a day.

So, Mr. Speaker, although the Carbonear area and Carbonear itself is small and you might not think it is a big fishing area, it does employ a great many people from the entire Conception and Trinity Bay areas. As a matter of fact, Earle's Fishery operates plants and collecting stations all around this Province, on the entire Labrador Coast, on the Northern Peninsula, down to some of their facilities in Bear Cove,

when they are operating there. They are across the Straits, in Blanc Seblon and West St. Modeste. A few years ago, I visited their operations down there. Now they are in English Harbour, or what used to be called Fox Harbour, I think, in Battle Harbour and all along the Labrador Coast.

I think, Mr. Speaker, that those plants will have to get involved with the mid-distance fleet, and I am looking forward to that type of operation supplying a much more stable source of raw material to those plants.

During our Estimates meetings, as well, their were a number of things discussed, such as the fisheries roads programme and so on. I, as one MHA from rural Newfoundland, have been able to get a great deal of co-operation from our provincial Fisheries Department since I was elected, in 1982. I am very proud and pleased to say, Mr. Speaker, that many of our wharves now and the roads, I suppose in some cases laneways, leading to fishing facilities are in excellent condition. I managed to persuade my friend, the Minister of Fisheries (Mr. Rideout), to provide some money under their Fisheries Roads programme to pave roads leading to wharves in Lower Island Cove, to upgrade greatly the road leading to the fishing facility in Job's Cove, and the road leading to the wharf in Burnt Point. We have paved the road from Route 70, as a matter of fact, with the co-operation of the Minister of Transportation (Mr. Dawe), out through the settlement of Ochre Pit Cove. I am sure all people now are familiar with that famous community of Ochre Pit Cove. Through the Fisheries Department,

we paved the road down to the wharf. That is a regional facility that serves quite a large area of the North shore. Right now, Mr. Speaker, a fisherman can get out of his boat in Ochre Pit Cove and he does not have to travel over any gravel roads to get to a fish plant either in Old Perlican, Carbonear or Harbour Grace. So that area is greatly improved.

In Adams Cove we have upgraded the road leading to the fishing facility, which was a federal/provincial project carried out there this past season. We have paved the road in Broad Cove, or a small fishing inlet off Broad Cove, known as Mulley's Cove, where people fish. We have done some upgrading of the road leading to the fishing facility in Perry's Cove, we have paved the road leading to the fishing facility in Salmon Cove, and we have paved the road leading to the fishing facility in Freshwater, Carbonear.

We have also done a great deal of upgrading of the two fishing facilities on the North and South sides of Carbonear North. So, Mr. Speaker, I am indeed pleased with the co-operation that my district has gotten from the provincial Department of Fisheries with regard to making the facilities much more workable and much more practical places for our fishermen to work.

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

SOME HON. MEMBERS:

By leave.

MR. PEACH:

By leave, Mr. Speaker! I can go

on for hours.

MR. SPEAKER:

Does the hon. member have leave?

SOME HON. MEMBERS:

No.

MR. PEACH:

No leave? Okay, Mr. Speaker. I will get another crack at it before it is over.

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fortune - Hermitage.

MR. SIMMONS:

We would like to give him leave, but he was making such a devastating speech we had to stop him in mid-flight, stop him while we could, Mr. Speaker, he was making such a vicious attack.

Now, Mr. Speaker, this afternoon during the Question Period, I was finally and rather hesitantly, I say to my colleagues, convinced of something that they have been telling me for a long time. I know the Premier in many capacities, I have always been a great fan of his -

MR. DECKER:

Now!

MR. SIMMONS:

- and I was telling my friends that they were being much too harsh in their assessment of his performance over the past few months. They had been alleging, particularly the gentleman from Fogo (Mr. Tulk), that he had done an about-face. They were saying to me that the Premier was no longer the fighter that he had been in earlier days, that he was

saying very different things.

MR. TULK:

Did I say that?

MR. SIMMONS:

I had held that decision in abeyance, indeed, more to the point, I think the gentleman from Fogo will agree, I had argued vehemently against that thesis and said, 'That is not possible. I know the man and that is just not possible.' What convinced me, Mr. Speaker, of the rightness of what the gentlemen from Fogo, the Strait of Belle Isle, Bellevue and others were saying to me was an occurrence today in Question Period in which two quotations of the Premier were put directly opposite each other, one in which he said today that there is no constitutional obligation on the Government of Canada to maintain the railway. That was his clear statement as he himself characterized it today. He said, 'Nothing could be clearer than that,' and I agree with him, nothing could be clearer than what he said. Nothing could be clearer than the fact that he said it; whether it is truth is another issue, but he said it.

MR. TULK:

As clear as mud.

MR. SIMMONS:

He said clearly that there was no constitutional obligation. That is what he said on May 6, 1986. Six and one-half years before, he was saying something which is the direct opposite, as I pointed out to him during Question Period. He said, in part, and I quote from his 1980 utterance: January 18, 1980, quote, "The railway must be made attractive to users. It must be made to work. The Government of Canada has that constitutional

obligation under the Terms of Union."

MR. FLIGHT:

When was that?

MR. SIMMONS:

That is what the Premier said on January 18, 1980, that there was a constitutional obligation.

Today, Mr. Speaker, he is saying there is no constitutional obligation. Now, the two statements are mutually exclusive, because one says the opposite of the other. So you have to ask what caused the change in stance? Why is the Premier saying something today which is the direct, unarguable opposite of what he said six and one-half years ago?

MR. J. CARTER:

This is not true.

MR. SIMMONS:

Why, Mr. Speaker? Why is he saying something that is the direct opposite?

MR. J. CARTER:

The hon. gentleman is in error.

MR. SIMMONS:

The hon. gentleman from St. John's North is an error.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

Why, Mr. Speaker, is the Premier saying the direct opposite of what he said six and one-half years ago on the same subject? Here I have to go back to the thesis of my colleagues in Opposition who have been telling me that the reason for the about-face has been the changed circumstances in Ottawa, that what he once did attack he

now must condone and embrace, i.e., the federal government or the present federal administration in Ottawa. And when you look at it closely, Mr. Speaker, it is striking, it is dramatic, the Pavlovian response that the federal government always elicits from the Premier on any issue. Take the railway, as we have done today as an example, take the offshore issue, Mr. Speaker, where the Premier had two main prongs in his platform, two main items, two main planks, one about control of the offshore by the provincial government and the other about having the product refined here. There were others of course, the back-in provisions and so on, but it is not my intent today to get into the offshore issue, except by way of example, and so I pick a couple of examples without exhausting the subject.

Again I take the issue of the offshore as it relates to control. Remember all his rhetoric on that over the years and then stack that, Mr. Speaker, against what he was party to a few weeks ago when, in a joint federal/provincial statement, it was said that the final decisions will be made by Ottawa. So the control that he fought for and that he had this Province in an uproar about for five or six years, is gone out the window.

Another example, Mr. Speaker, federal/provincial agreements: Last week we saw the forestry agreement. I remember I was at the signing of the 1980 agreement, we signed it out in Windsor I say to the gentleman from Windsor - Buchans (Mr. Flight), he was there, and I remember the statements the next day. "Well we had to sign it but it was not quite enough," the provincial

government was saying, "the stingy government in Ottawa was not doing very much, they were only giving us \$15 million a year for four years." Last week, when an agreement for \$48 million for four years was signed, suddenly less was more, suddenly we were talking about this new great Tory Government in Ottawa that was giving them more, and suddenly \$12 million was more than \$15 million.

On federal/provincial agreements, where they used to be the protector of the maximum buck for Newfoundland, now he, the Premier and his gang, have become the apologist for Ottawa on those matters. Take transfer payments: What an unholy fuss was kicked up two or three years ago when, in the MacEachen Budget, I believe the 1981 budget, or it might have been the following one, there was some reference to reviewing the issue of transfer payments. What a long telegram I got that day from the Premier. What an awfully long telegram, telling me what was wrong with Mr. MacEachen and his budget on the subject of transfer payments.

I wonder if the MPs in Ottawa got as long a telegram or, indeed, any telegram at all, when Mr. Wilson announced he was going to cut the guts out of transfer payments, announced he was going to take \$2 billion off transfer payments over the next four or five years, between now and 1990?

So, Mr. Speaker, on railway, on offshore, on federal/provincial agreements, on transfer payments, I could also mention on fisheries, there has been a complete about-face, and so that great Fighting Newfoundlander, the Premier, will now be known as about-face Alfie. Say federal

government and in true Pavlovian style he does a 180 degree turn. As soon as you say the term Federal Tory Government, he snaps around an automatic 180 degrees. If you were a student of geometry in high school, you would not need a protractor, a compass or any of those instruments anymore, you would just need a statue of the Premier with you, and every time there is a federal statement, the statue does an 180 degree turn, exactly 180 degrees, the ultimate most precise geometric tool you could have at hand if you want to calculate about-face, if you want to calculate the 180 degree turn. Perhaps I have an idea there. Perhaps I could help small business in this Province, perhaps I should rush out and instead of having a T shirt saying, 'About-face Alfie' I should have a little statuette.

MR. DECKER:

A little lap dog.

MR. SIMMONS:

I say to the gentleman for the Strait of Belle Isle (Mr. Decker), if he wants to come up with miniature lap dogs I will leave that to him, but I am going to go into the business of those little statuettes and I will guarantee they will be in every detail like the Premier, in every single detail, even to size. They will be just as small as the Premier is in terms of federal/provincial matters, and I will give my customers a money back guarantee, an absolute ironclad money back guarantee that if they put them near a radio, when federal Tory government is mentioned by the announcer, or Mulroney, or Wilson cutbacks, or cutting the gut of the UIC, or giving the shaft to the inshore fishery, when any of those phrases are mentioned on the

radio or if the statue is placed beside a newspaper in which any of those phrases occur, I will guarantee to everyone of my customers that 'about-face Alfie' statue would do a 180 degree turn immediately and without delay.

MR. SPEAKER:
Order, please!

The hon. member's time is up.

PREMIER PECKFORD:
Thank you, Mr. Speaker.

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

MR. J. CARTER:
Mr. Speaker, the debate on the Concurrence Motion seems to be very wide-ranging. I had thought we would be restricted to the departments in the Resource field but, however, since the debate is wide-ranging, I feel perfectly free to range widely and perhaps impinge on some of the material that I was going to bring up in the Social Services debate.

I would like to mention that in consideration of the Department of Health Estimates, and this is a very general observation, it is not restricted to the Department of Health by any means, so I do not wish to get into those estimates now, I am just using that as an example, it was suggested by the member for Menihek (Mr. Fenwick) that he was against charitable donations. Now, the Minister of Health (Dr. Twomey) gave us some estimates that were only estimates, of course, of the vast sums that have been collected by volunteers and by voluntary contributions in the field of health care, and the member for Mehihek said, No, no,

this is quite wrong, you should not rely on voluntary contributions, you should rely on the taxation system. In other words, turn off any charitable impulses but tax people as much as is necessary to meet the costs of whatever programme you are going to put together. This is all a matter of record. It is not hearsay, it was not a conversation over the coffee urn and because it is official, because it is a matter of record, I thought it should be brought up here in the House of Assembly to be properly deplored.

I have no hesitation in feeling that the party opposite, the official Opposition will concur with me in this regard, and that is I think it is a shocking suggestion that the charitable impulse in the general public should be discouraged and turned off, because the amounts of monies that are collected for worthy causes must run into the tens of millions of dollars, even in a small Province like this.

AN HON. MEMBER:
(Inaudible) causes.

MR. J. CARTER:
I am talking about worthy causes generally. Well, I am saying worthy causes generally. And to suggest that these impulses should be turned off I find very, very upsetting.

Now, I do not wish to belabour the point, and if the member for Menihek (Mr. Fenwick) would like to try and justify what I think is an absolutely unjustifiable position, he can have all the time he wants to do so.

MR. FENWICK:
Mr. Speaker.

MR. SPEAKER (Greening):
The hon. the member for Menihek.

MR. FENWICK:

I did not intend to get into the debate on the Resource Estimates since I was a member of it, but since the Chairman of the Social Services Estimates Committee has sort of curbed the debate somewhat, although I understand the previous speaker had probably started off us off on that path, maybe it is appropriate to, at least, put a few comments in. Before I do, I would like to say that I enjoyed very much my experiences on the Social Services Estimates Committee. It is my first experience being a member of one of these committees. I would also like to commend the Chairman who, I think, did an excellent job at keeping the hearings informal and allowing us to get as much information as possible out of the ministers who were presented to us. There were a few unfortunate incidents that have been referred to quite adequately, and I will not go back and talk about them. But I would like to commend the Chairman for having done what I thought was an exemplary job in making sure that the Committees were informal enough that we could do a reasonable job at what we were doing.

The comments that he makes on the hospital funding are accurate. As members may know, the Minister of Health (Dr. Twomey), in presenting his estimates, indicated that something in the neighbourhood of \$6 million is being raised for capital equipment of the hospitals in our Province through the foundations, charitable donations, through various funds and so on. I indicated at the time, and I will indicate again and again, that this is no way to fund a

health system. If you cannot get the money through these foundations, if for some reason they are not successful at raising the funds, that means that various essential equipment is not in place in your hospitals and, as a result, people will have a difficult time having necessary x-rays and other things done.

So the member has been accurate in terms of saying what the spirit is. But I would like to, at least, go on record as indicating one error that he did make in his short speech there and that is I did not say the charitable donations on a broad base should be discouraged. I think for many of the kinds of things that we are involved with, the Heart Fund, the Cancer Society and so on, they are excellent ways of putting additional money in and indicating which way we want to do things.

But for essential hospital equipment necessary when I go to the hospital or my children go to the hospital or anyone's children in this Province have to go to a hospital, I would not want to think that they would get less than adequate care if the telethon this year had brought in only half the funds expected. I think that we as legislators and as people responsible for primary funding of the health care system in this Province must be careful if we loosen the control of capital spending in our health care system in terms of the irrationalities that may appear there.

Just to give a couple of examples: In this Province we have one CAT Scanner. The Minister of Health told us in his testimony, and he was very forthright and he was quite informative - I commend most of

the ministers, by the way. I thought they did an excellent job of giving us information, with minor exceptions - that you need a population of approximately one million people in order to have one CAT Scanner, there is a ratio of one million people to a CAT Scanner. So we have one CAT Scanner in this Province located at the General Hospital, and all the people in the Province are using it, all the hospitals are. That is a rational use of our system. But in other places, where private funding is coming in, where the foundations are used to raise money, this rationality has been disappearing. For example, Ontario, which has probably the least rational of the health systems that we have in our country, with a population of 9 or 10 million people, they have sixty CAT Scanners. In other words, six times the number that are recommended because the hospital foundations have gone out and raised money and put this, what is superfluous equipment to the needs of the Province of Ontario, in place.

That argument that I was making to the Health Minister (Dr. Twomey), and it is one that we have made in public here before, because I raised the concerns last year when the telethon was on for the children's hospital, is that I do not believe that the rational system of health funding that we have now should be tampered with. I was seriously worried that if \$6 million this year, in terms of all the foundations of the city hospitals and others outside the city, is being raised, then that is \$6 million of capital construction that is no longer being rationally put in place by a central planning authority, and I believe very strongly in that

central planning authority.

What is more, this change of a rational government system of planning our capital costs in Health seems to be occurring without any substantive debate, we are not discussing whether this is a good way to go or not. I think raising the issue in this case is a good thing. I think it is good on the part of the member for St. John's North (Mr. J. Carter) and for the Minister of Health, who have also raised it when I brought this situation up to them. So I say, yes, I plead guilty to saying that I do not want my health or the treatment of my children or myself or any of the residents of this Province dependent on charities that may be successful or may not be. I want a rational system in place so I can be sure the equipment is there. The other part of it I plead not guilty to. I am not guilty of saying that all generous impulses should be snuffed and that we should not be producing volunteer donations to other causes. But for capital construction of hospitals, I disagree with it. It is a philosophical point and I think we have had the argument many times before, but I am very happy to repeat it on this occasion.

MR. TULK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, in speaking in this Resource Committee Concurrence debate I want to talk about something that is becoming extremely important to the development of Newfoundland, and that is what we see happening in Newfoundland as a result of having

- and I think it is very important, very important from the point of view of development - the installation on September 4, 1984 of a PC Government in Ottawa and the subsequent election of a PC Government in Newfoundland in April, 1985.

Now, Mr. Speaker, Mr. Brian Mulroney, the Prime Minister of this country, uses words like 'sacred trust'. The Premier of Newfoundland, I would submit, has broken what I would regard a sacred trust to the people of Newfoundland in that in April, 1985 we were told in the Premier's election campaign - and the Speaker will be aware of this, of course, he was in that campaign, and I know he agrees with me, that if you make a promise in an election it is a sacred trust - as Newfoundlanders, he said to us in no uncertain terms, built his election campaign around it, that if you put a PC Government in Newfoundland with a PC Government in Ottawa, Newfoundland will benefit greatly and the problems that existed with that evil Liberal government in Canada will no longer exist.

Mr. Speaker, the truth of the matter is, the people of Newfoundland believed him. They must have. And you cannot fault the majority of people. Once they have spoken they have spoken. They gave him a majority. Now, mind you, it was a lot closer than the Premier likes to point out. He only won in this Province in fourteen selective seats, by some 1,635 votes, by some 48 per cent; he did not have the majority of Newfoundlanders, but he certainly had the majority of seats. Mr. Speaker, those are two historic moments in Newfoundland and I would suggest to you that the

Premier has broken what Mr. Brian Mulroney, if he were Premier of this Province, would call a sacred trust. What have we seen happen? What has happened in Newfoundland since September 4, 1984 and since April 2 or April 6?

MR. BAKER:

April 6.

MR. TULK:

April 6. I do not know. There have been so many elections - they are all in April month, just after April Fool's Day - that it is difficult to keep up with the dates, but sometime in early April? We can go on and we can list them, and I will do that a little later on, but, more importantly, what has happened to our Premier? I have a little picture of the Premier here which shows -

MR. BAKER:

Is that the one on the planes?

MR. TULK:

No, no. That is the one you look at now - a picture which shows the Premier demanding that our railway be widened. Mr. Speaker, just look at the picture. The picture of the hon. gentleman is there, he is bellowing, going after a federal government in Ottawa about the rights of Newfoundland, in this particular case, as it applies to the railway.

MR. FLIGHT:

That is our 'Brian'.

MR. TULK:

That was our 'Brian' before September 4, 1984 and before early April 1985. Today what do we see? We do not see a Premier taking the middle of the road, negotiating. We do not see him doing that. We do not see him

bellowing, we do not see him at that extreme, fighting, running the Telex machines hot up on the Eighth Floor. We do not see any of that. And this is very important in this Resource Committee debate, because it is very important what happens to the development of our resources, and the development of our resources is obviously going to depend on what happens between this government and the government in Ottawa; we do not see him bellowing, neither do we see him negotiating. We see him willing to sit back and say, 'There is a Tory Government in Ottawa and therefore I can say nothing.' And he goes farther than that! The Premier of this Province is willing to swallow his own words. We have seen Mr. Crosbie and Sinclair Stevens and Eric Nielsen poke FFTs down his throat. We have seen Mr. Siddon and Mr. Eric Nielsen and his deputy minister, Mr. Mayboom, put the axe to the federal Department of Fisheries to the point where it hardly exists. We have seen our Premier, who stood in this House and said he would not have anything only 90/10 deals with Ottawa on federal/provincial agreements, suddenly settle for 60/40, as we just had in the recent forestry agreement, we have seen fishermen in this Province towed into port for fishing, trying to make a living in Newfoundland, and now we see our Premier standing up today saying to us, 'We no longer have a Constitutional right for the railway. We cannot have a railway service because it is not airtight,' he says. But in 1980 it was awfully airtight. Mr. Speaker, the seriousness of the situation is this, that the Premier seems content, he seems willing at this point, and we know, the word is out from Ottawa

that Brian Mulroney has no use for him, that word has been out for six or seven months, Brian Mulroney has no use for him.

MR. W. CARTER:

What about Crosbie?

MR. TULK:

Crosbie is not as fond of the hon. gentleman as he was when he helped him with his leadership campaign in 1968 as a Liberal. He is not as fond of him now as he was then. Mr. McGrath, I suspect, would like nothing better than to give the Premier a backhand for his comments about him, I think it was in 1979 or 1980, when he was the federal Minister of Fisheries.

So the Premier in order to be liked, in order to be cuddled up to by Brian in Ottawa, is now sitting over there and swallowing his words. He is not even explaining them. As a matter of fact, as the member for the Strait of Belle Isle (Mr. Decker) pointed out to him this afternoon, he is not even reading our constitutional rights anymore, he only reads those things that he prefers to read, to pass out to the people of Newfoundland in the hope that Brian in Ottawa will give something to 'Brian' in Newfoundland.

Mr. Speaker, the results of that are becoming fairly obvious. We have seen this Premier since 1979, and I came here in 1979 - I will never forget the night I sat down there in that seat and saw the Premier strut in with all his Cabinet behind him - the member for St. John's East (Mr. Marshall) was part of that, I think he was right behind the Premier as he passed by the back of that chair, with a black armband on - and they paraded into this Legislature. It

was a black day in Newfoundland. Well, Mr. Speaker, I have to ask you, can there be a blacker day, as I pointed out to the Minister of Fisheries the other day, than when we see our own fishermen being towed in by DFO and the Minister of Fisheries (Mr. Rideout) sitting there - he is not defending Ottawa, he is not defending the fishermen - on the fence. Can we have a more appropriate day to put the flags half mast, black flags, as I suppose the member for St. John's East Extern (Mr. Hickey) had on April 1, 1949? He probably did or, if not, at least I am sure he helped put up one. Can we have a blacker day in Newfoundland than we have today, when we have statement after statement after statement pointed out to our Premier by the Opposition saying, What has happened to the Premier? Where is our constitutional right to a railway? pointing out to him that in 1979, 1980 and 1981 he was saying, "Do not talk to me a twinned Trans-Canada. Do not talk to me about that and ask me to give you the railway for it. Do not talk to me about that. Do not talk to me about" - I think it is \$750 million they have reached now in Ottawa. I understand that is what they have to offer to him - "do not talk to me about \$1 billion for the railway. Do not talk to me about \$2 billion for the railway. The railway has no price." The Premier's own words pointed out that we have both the right to a railway and the right to a Trans-Canada Highway, the same as the rest of Canada.

He asked us today, where is the Liberal Opposition? Well, the point of the matter is, I believe the Minister of Career Development and Advanced Studies (Mr. Power) - I believe it was. I stand to be

corrected on that, perhaps - put a resolution to this House that we would unanimously support that concept, that the railway was a constitutional right that belonged to us.

MR. DECKER:

Where is he today?

MR. TULK:

Where is he today and where is the Premier today?

MR. SPEAKER (Greening):

Order, please!

The hon. member's time has elapsed.

MR. TULK:

By leave, Mr. Speaker? I was just getting straightened away.

SOME HON. MEMBERS:

No leave. No leave.

MR. SPEAKER:

Leave is not granted.

MR. TOBIN:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for Burin-Placentia West.

MR. TOBIN:

Mr. Speaker, I have listened to the member for Fogo (Mr. Tulk) and the fact of the matter is, they cannot have it both ways. He cannot stand up in this House today and say that the Liberal Party are the great defenders of the Newfoundland Railway, because the record will show, Mr. Speaker, that their own leader was a member of the Sullivan Committee, with his name attached to that report, which recommended the closure of the railway. Now it has to be one or the other. His leader agreed with the closure of the railway.

There was no minority report submitted, Mr. Speaker, so they cannot have it both ways. Their leader is on record as being part of a committee that supported the closure of the Newfoundland Railway and now they are up trying to defend it. Which way is it?

MR. WARREN:

Holy God, I can not believe it! I can not believe it!

MR. TULK:

To that point of order.

MR. SPEAKER:

To that point of order, the hon. the member for Fogo.

MR. TULK:

The hon. gentleman is the Executive Assistant to the Premier. If that is the kind of attack he is going to use on the Leader of the Opposition, he should give the Premier better advice. Otherwise, the Premier should cut his salary in half or reduce it to a dollar. Because, Mr. Speaker, the truth of the matter is that the hon. gentleman should know. I guess he knows that there is a difference between asking somebody for legal advice and being a politician who has to stand up for the rights of Newfoundlanders. And the Leader of the Opposition, as is the Liberal Party - the hon. gentleman will not be educated, he will not listen. The Leader of the Opposition, as well as the Premier, is on record -

MR. TOBIN:

The Minister of Fisheries just said it, look.

MR. TULK:

We know what the Minister of Fisheries had to do - is on record as supporting the member for

Ferryland, the Minister of Career Development (Mr. Power) - at the time, the Leader of the Opposition was a member of that party - who brought a resolution into this House which was supported unanimously by both sides of the House, Mr. Speaker. So he should give better advice to the Premier than to advise him to go after what the Leader of the Opposition did as a legal adviser.

MR. TOBIN:

Further to that point of order.

MR. SPEAKER:

Further to that point of order, the hon. the member for Burin - Placentia West.

MR. TOBIN:

Mr. Speaker, the fact of the matter is, the member for Fogo, the Opposition House Leader (Mr. Tulk), can squirm and twist all he likes. The record clearly shows the Sullivan Report, the Royal Commission on the Railway, recommends quite clearly the closure of the Newfoundland Railway. Is that true? Is that right? It was not the Leader of the Liberal Party, Mr. Speaker, it was the consultant to that Commission whose name was attached. I have not seen any minority report, Mr. Speaker, objecting to the closure of the Newfoundland Railway. The facts of the matter are clear and that is simply that the Sullivan Commission recommended the closing of the Newfoundland Railway, and the Leader of the Liberal Party in this Province today was part of that Commission and part of the presentation of that Commission which recommended closure. They can twist and squirm all you like, those are the facts, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

To that point of order, there is no point of order.

The hon. the member for Carbonear.

SOME HON. MEMBERS:

Hear, hear!

MR. PEACH:

I understand, Mr. Speaker, I have about five minutes left.

MR. SPEAKER:

Yes.

MR. PEACH:

Thank you.

Well, Mr. Speaker, I was going to make some comments on the several other departments that we discussed in the Estimates Committee, but it seems as though members of the Opposition are not overly interested in recapping what we did in the Estimates Committee meetings.

I notice the member for Windsor - Buchans (Mr. Flight) arrived back in his seat today after a rather long week-end. It was during the estimates of the Department of Forestry that the member for Windsor - Buchans did not seem to be overly concerned with hearing the Minister of Forest Resources and Lands (Mr. Simms) indicate to the Committee, to the media and to the people of the Province, that \$245 million was put into the pulp and paper modernization in the province. He was not too concerned about the \$400,000 to \$600,000 that was put into the Wooddale Nursery, which I am sure is very close to home to that member. He was not too concerned about the forest protection centre at Gander that was opened, as a

matter of fact, last week. I think it was on April 28 that the Minister of Forest Resources and Lands was out there. And the member for Gander (Mr. Baker) was quite concerned and quite happy, I suppose, to have that centre opened in his district. He was not overly supportive of the Kruger deal for Corner Brook. He said government, at the time, did nothing to help Corner Brook. He was very disappointed, I guess, that Corner Brook survived, and did survive because of the initiatives and the work that was put into it by a government that cared for the rest of the Province, not just, as the member quite often likes to believe, St. John's.

However, one of the main points of contention that the member for Windsor - Buchans (Mr. Flight) had at our Estimates meeting on Forestry, and he brought it up again during Energy, was the bridge that he was so concerned with. We discovered after that it was a wooden bridge that was blown up.

MR. FLIGHT:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the member for Windsor - Buchans.

MR. FLIGHT:

Mr. Speaker, the hon. member has been here long enough to know that he cannot attribute motives to another member.

MR. PEACH:

Those were not motives, they were facts.

MR. FLIGHT:

Mr. Speaker, nothing was said by me and Hansard will show that. The minister can not produce Hansard, I suppose, but the fact is nothing was said in those debates that indicated I was not concerned about Wooddale, that I was not concerned about Corner Brook, and that I was not concerned about the other litany of things he talked about. I would assume the minister is not deliberately misleading the House -

MR. PEACH:

I am relating the facts.

MR. FLIGHT:

- but he is misleading the House, Mr. Speaker. The member either should give the Speaker proof that I am on record saying the things that he has attributed to me or he should be asked to withdraw.

So, Mr. Speaker, that is a legitimate point of order.

MR. MARSHALL:

To that point of order.

MR. SPEAKER:

To that point of order, the hon. the President of the Council.

MR. MARSHALL:

That is a ridiculous point of order. Let us get this straight because it needs to be gotten straight in this House: you cannot attribute base or unworthy motives. Anyone who gets up in the House gets up with a motive. He gets up with an intention. He has some thought, with probably the sole exception of the hon. the member for Windsor - Buchans (Mr. Flight). Now, he might be the only person in this House who gets up and speaks without any motive or any thought or what have you. So, everybody has a motive. I am speaking now. I have a motive, to

get up and try to expose the hon. gentleman for what he is.

So, Mr. Speaker, it is absolutely ridiculous that you say because somebody gets up, he is not allowed to ascribe motives. You are not allowed to ascribe base motives or unworthy motives, certainly. But to say that somebody is speaking and he said something that is consummately and obviously and patently stupid and idiotic, Mr. Speaker, is not to ascribe motives to somebody, it is to state a fact.

MR. SPEAKER:

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

The hon. the member for Carbonear.

MR. PEACH:

Thank you, Mr. Speaker. The member for Windsor - Buchans (Mr. Flight) does not usually like to take the heat in the kitchen. Then, of course, he gets out and heads back to his district for a number of days and shows up back here again. But the fact is, Mr. Speaker, that the member for Windsor - Buchans spent quite a considerable time, not only in the Estimates on Forestry, but in the Estimates on Mines and Energy, discussing the bridge up in Dashwood, I think it was that he called it, or Dagwood, whatever -

MR. FLIGHT:

Dashwoods.

MR. PEACH:

Dashwoods. It was blown up and it was a great concern to the member for Windsor - Buchans. That was his greatest concern.

MR. FLIGHT:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for Windsor - Buchans.

MR. FLIGHT:

Now, Mr. Speaker, the hon. the President of the Council just pointed out that you cannot indicate unworthy motives. The fact is, Mr. Speaker, that Hansard will show that I did not ask a question in the Mines and Energy Estimates, let alone refer to any bridge. So, Mr. Speaker, that is attributing motives and certainly unworthy motives. I did not take part in the debate. Hansard will show that I did not take part in the debate of the Estimates of Mines and Energy. So, Mr. Speaker, obviously I could not have talked about a bridge.

I would ask, Mr. Speaker, that the hon. member either prove to His Honour that I did, indeed, make those statements or be asked to withdraw. I did not take part in the debate of Mines and Energy, let alone refer to a bridge.

MR. SIMMS:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the Minister of Forest Resources and Lands.

MR. SIMMS:

Briefly, Mr. Speaker, to the point of order. Obviously the hon. member is smarting over an issue that he is losing badly on. The member for Carbonear (Mr. Peach) is simply reminding him of what everybody perceives he has said. The best this could possibly be called is not an imputation of motives but a difference of opinion between two hon. members.

MR. SPEAKER:

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

I wish to notify the hon. member that his time has elapsed.

The time for the concurrence debate has elapsed. I am now going to put the question.

Is it the pleasure of the House that the report of the Resource Committee be concurred in?

Motion, that the report of the Resource Committee be concurred in, carried.

MR. SPEAKER (Greening):

Government Services.

MR. HODDER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Port au Port.

SOME HON. MEMBERS:

Hear, hear!

MR. HODDER:

Mr. Speaker, first of all I would like to thank the members of the Committee. I am not sure who all the members of the Committee are, Mr. Speaker. I know who was on the Committee on our side and I know who the Vice Chairman of the Committee was but, as far as the members of the Liberal side were concerned, there were two they were not there very often.

The members of the Committee for our side were: the member for Humber West (Mr Baird), the member for Torngat (Mr. Warren), the member for Terra Nova (Mr. Greening), who was on our side, and the member for Bonavista North

(Mr. Lush) was the Vice Chairman. I think it might have been the member for Naskaupi (Mr. Kelland) and the member for Bellevue (Mr. Callan) who were the other two members on the Committee but I did not see them there very often. I did see other members of the Opposition who came in from time to time.

Mr. Speaker, the Committee worked well and without incident this year. I would like to thank all members who turned up on that Committee, both from this side and from the Opposition side. We had a full house practically every night. I would particularly like to thank The Evening Telegram. They had two reporters there all the time and I believe only one other time did we see other members of the press there.

Mr. Speaker, during the time we had we looked at the estimates of Public Works, Municipal Affairs, Transportation, Consumer Affairs and Communications, Finance and Labour. We did it in the time allotted. We spent some twenty-seven hours considering the estimates. I found the Committee to be very, very informative. It was not the first Committee which we dealt with but, one of the Committees I thought where some of the myths that sometimes are put forward in this House or an awful lot of myths were dispelled, and I found it very interesting, was the Committee on the Department of Finance.

Mr. Speaker, Opposition members on that particular Committee were putting forward the proposition that if we lower taxes, then we increase employment in this Province and we put more money in circulation. Mr. Speaker, I think, once and for all, the

Minister of Finance (Dr. Collins) put that myth to rest. Many of the ideas put forward by the Opposition seem to either come from things that had been gleaned from magazines which might be okay in Ontario or might be okay in some other province but, certainly not in a province such as we have.

Mr. Speaker, the provincial tax load in this Province has not increased. New tax changes in terms of the changing economy have not gone up proportionately any more than the gross national product of this Province has gone up or the rise in personal income. Mr. Speaker, it was pointed out that the tax load is about 16 to 17 per cent of the personal income of the Province and this has not changed from 1979/1980.

Mr. Speaker, the Opposition seem to think that taxation was a bad thing but it seems that if we have no taxation, then we have no roads, we have no hospitals, we have no education and we do not have anybody to look after the environment. It was adequately shown in the Committee that the proportion of taxation has not been rising and that the Province has been doing very well.

As well, Mr. Speaker, the Opposition, for some time now, has been talking about projection errors as far as the Minister of Finance (Dr. Collins) and his budget is concerned. But, Mr. Speaker, if hon. members were to look at what is happening in other provinces, and the minister adequately explained this, and looked at what has happened to the U.S., the U.K. and to all other Western countries, they would see, Mr. Speaker, that with the rising and falling world prices, the fact

that the Province has a very narrow economy, we have been pretty well in line with projections made by both the federal government and with the U.S.. It has been a global phenomena. We have been in line with that. Mr. Speaker, I think it disappointed members that we are \$20 million better off this year than we have been in other years.

Mr. Speaker, the other thing that came up in the Department of Finance was our credit rating. Members spoke about the credit rating of the Province.

Mr. Speaker, in the last few years Manitoba has been downgraded twice, New Brunswick twice, Nova Scotia four times, I think Ontario for the first time in 1984, Quebec in 1982, and the only province that was upgraded, and it stayed that way, has been Alberta. That happened for various and obvious reasons. So Newfoundland's credit rating has stayed the same as Nova Scotia's, according to Standard and Poor, and basically this Province has shown that we have stayed in line with where we were. All provinces have been downgraded except for one and we have stayed in line as well as any other province.

What is the member for St. Barbe saying?

MR. FUREY:

Was that before or after the Finance Minister (Dr. Collins) lost the \$5 million?

MR. HODDER:

Mr. Speaker, that came up. But I think, Mr. Speaker, hon. members, when they asked that question - I do not believe the member for St. Barbe was there - but they could

not frame the question much less understand an answer.

MR. FUREY:

But it was before he lost the \$5 million.

MR. HODDER:

Mr. Speaker, if the hon. member for St. Barbe would button his mouth, I will continue.

AN HON. MEMBER:

Name him!

MR. HODDER:

Mr. Speaker, there was some discussion in the Department of Finance's debates concerning arrears in taxes in the Province. The minister explained that we have an honour system in the Province. We do not have an army of tax collectors that go out and spend full time on the road. That would be much more expensive. Sometimes, when a company is delinquent or behind, then there are a systems of checks and balances and warnings until such time as a person is considered to be in default, and then there are people who will visit. Mr. Speaker, this system in itself will give rise to a certain amount of arrears in taxes. That was another set of the questions and complaints from the Opposition.

There was some question again on the lowering the taxes. I think it was adequately pointed out that the Province rebates 12 per cent, I believe, on tourist goods or handicrafts made here in the Province. Also, tour operators get a rebate and there is a subsidy on manufacturing equipment. If the government were to do as the Opposition has suggested and, I understand that the Department of Finance has made a number of studies on this, if we

were to drop the sales tax, for instance, on motor cars, then the people in Ontario, and perhaps in the United States or wherever the cars are made would be the people to benefit from that. So I think it was adequately explained that -

MR. CALLAN:

Would the hon. member permit a question?

MR. HODDER:

I do not know if I should bother because the member for Bellevue (Mr. Callan) had all the opportunity in the world to come along to the Committee meetings. I think he attended just one meeting. Not only that, but the member for Fogo (Mr. Tulk), who was the critic for Labour, did not turn up at all at the meeting.

Mr. Speaker, there were a lot of suggestions made by hon. members for consideration by the Department of Finance. A tax holiday for small business was suggested, and again I think it was pointed that small businesses in this Province usually get a tax break anyway for the first couple of years.

MR. WARREN:

Did you hear what he said?

MR. HODDER:

No I did not.

MR. WARREN:

Oh, you should have heard what he said.

MR. HODDER:

Well, anything the hon. member can say I can say back to him.

Mr. Speaker, I have just fifteen minutes in which to do this and perhaps fifteen minutes at the end, although I believe the member

for Torngat (Mr. Warren) is going to end this since I will be away on the next day.

Mr. Speaker, when we discussed the Department of Labour the charge of the Opposition was that there were more labour disputes in this Province than in any other province. I would like to speak on that because, Mr. Speaker, while there is a flash sheet that shows per work force that there are a fair number of work stoppages and strikes in the Province, we have a very small work force, somewhere around 200,000 people. When you have a work force of 200,000 people and you have some very large units in that work force, then it seems that the workdays climb. In 1983 we had a teachers' strike and they, being a fairly large group of people within that 200,000 work force, when our flash sheets came out, they meant there were a fair number of workdays, person days, showing. Again, if you have 10,000 people out for a certain length of time when you only have about a 200,000 work force, then it looks worse than it is.

For instance, in 1984 the telephone workers were on strike for eight months and that particular group ran the figure up. The counting for that particular time in 1984 was somewhere around 93 per cent of the total person days in 1984. That one particular strike, which went on for so long in 1984, made up for 93 per cent of those that were recorded. Last year, Mr. Speaker, as all hon. members will realize, we had a beer strike here in the Province. So it just takes one group to go out to make it look like it is large in proportion. Mr. Speaker, basically our labour relations

here in this Province are as good as any in the country.

Mr. Speaker, there was some discussion on labour education.

The member for Fogo (Mr. Tulk) is, I think, a little bit put out he was not there for the discussions, although he is the critic on labour. He did not ask one question.

MR. TULK:

I want to say something. I let the member for Bonavista North (Mr. Lush) ask questions and he has had tremendous experience with this. I am only learning. Unlike the hon. member, I try to learn before I stand up.

MR. HODDER:

Perhaps if the member for Fogo had come to the meetings he would have learned something from his colleague, the member for Bonavista North, who did an excellent job in his absence.

Mr. Speaker, questions were asked as far as labour education was concerned. The Department of Labour at the present time are developing a film which will help people understand labour relations. There are grants to the Labour College of Canada in which this government takes part. There are labour/management committees. The hon. member should realize that this is a report of what happened in the Committee and he does not expect me to -

MR. SPEAKER:

Order, please!

The hon. member's time has elapsed.

SOME HON. MEMBERS:

By leave. By leave.

MR. HODDER:

Mr. Speaker, the grants to the Labour College of Canada, labour/management co-operation committees, where senior people from labour/management meet to try to look at the mutual problems which both labour and management might have and try to allay any storms that might be on the horizon.

The government will provide \$5,000 this year to assist labour to provide a history of the labour organizations in the Province, which the hon. member might be interested in. As well, there have been developed work pamphlets on labour standards and sometimes cost are defrayed on seminars.

Mr. Speaker, I will say that in the ten minutes in which I have been speaking I have covered just about everything that hon. members spent, I think, something like six hours questioning because, Mr. Speaker, very few of the questions were to a point. Mr. Speaker, I think we spent six hours on Transportation and six hours on Finance and I took notes throughout all of those speeches. Mr. Speaker, I think in the last ten minutes I have covered just as much and given as much information to the House as the Opposition dug out in somewhere around ten hours.

Mr. Speaker, of course in the Department of Transportation members again were after lists, as they were in the Department of Municipal Affairs. They wanted lists and it was adequately shown them, even though they do not seem to understand that in the proportion of this House of Assembly, the Liberals got more the last year from the Department of Transportation than, I think, the government side did. That was

adequately explained. I think that puts it to bed forevermore. But knowing the feelings of the Opposition, I am sure that will continue for some time. Mr. Speaker, the Minister of Transportation (Mr. Dawe) and the Minister of Municipal Affairs (Mr. Doyle) sure let the people of this Province know how generous they were last year to the Opposition and all past years.

MR. TULK:

The conversion is complete, the conversion is complete.

MR. SPEAKER:

Order, please!

Could we have silence while the hon. member is speaking.

MR. HODDER:

Mr. Speaker, in the Department of Transportation, of course, the ongoing topic and the topic most debated outside of lists - the members were more interested in the lists of projects and road projects than they were in the railway - but we did spend a short time talking about the railway and, Mr. Speaker, it was an interesting discussion. The minister made it quite clear that there were three -

SOME HON. MEMBERS:

Oh, oh!

MR. HODDER:

Mr. Speaker, I have heard the hon. member speak rarely in the House. I doubt if I have ever tried to interrupt him when he has been speaking in such a consistent way as the hon. member for Fogo (Mr. Tulk) and the member for St. Barbe (Mr. Furey) have been.

MR. SPEAKER:

Once again I would ask all members

to please be silent while the hon. the member for Port au Port is speaking.

MR. HODDER:

Mr. Speaker, I can tell them, both of them, that their turn will come when they will have to speak and their turn will come when they will be harassed, as I am at the present time.

MR. SPEAKER:

Order, please!

The hon. the member for Port au Port.

Silence please!

MR. HODDER:

Mr. Speaker, it was made quite adequately clear that the alternatives were status quo or improvements. The minister said that, as far as he was concerned, and as far as this side is concerned, that our option is to have the railway upgraded and improved. Anything else that came out of that committee was superfluous.

Mr. Speaker, \$105 million was voted to the Department of Public Works this year, plus \$14 million was voted to other departments. The projects which are ongoing or completed for this year were the extension to the Confederation Complex, the new Institute of Fisheries and Marine Technology, the new School for the Deaf, the new hospital at Burin and the new highways depot in Deer Lake. The new projects which will be started in the current fiscal year will be a new clinic and chronic care institution in Botwood, redevelopment of the Central Newfoundland Hospital in Grand Falls, a new constabulary building in Corner Brook, renovations to

the Bay St. George Community College and a new highway depot in Baie Verte.

MR. FUREY:

What a list of Liberal districts that was!

MR. HODDER:

So, Mr. Speaker, when we consider the number of projects which are either ongoing and completed or which we learned of when the budget was brought down this year, that is an impressive array of construction which will be going on in the Province.

Now, Mr. Speaker, we had a certain amount of time for the Department of Consumer Affairs and Communications. I believe we spent three hours on that particular department.

Mr. Speaker, in the Department of Consumer Affairs this year there were some 4,862 enquiries in the St. John's Office; 2,205 in the Corner Brook office and Grand Falls 637; 851 in Gander; so that the yearly total for telephone calls numbered 8,554 enquiries. As well, there were 51 speaking engagements and 891 written complaints. Of all of those, Mr. Speaker, something like 77 per cent were resolved.

Basically, in the Department of Consumer Affairs questions were brought up about oil prices throughout the Province and I think all hon. members are concerned, both on this side and that side, about the differences in the prices of oil across the Province.

I know in my district, Mr. Speaker, there are some service stations at this point which are as far as seven and eight cents

more than can be found in the town of Stephenville, some twenty miles away. Some time was spent in committee when members gave specific examples, but Mr. Speaker, the Minister of Consumer Affairs and Communications (Mr. Russell) has undertaken to check those. Members who care about their constituents will make representation to the minister when they hear that anyhow. The minister has been trying to get a handle on this. He has written letters. He has been speaking with the federal government and with the Minister of Corporate and Consumer Affairs (Mr. Cote) to try and find out what can be done in those situations. I think it was unanimously agreed in the committee that most members felt that when oil prices go up, the oil companies are quite quick to jump but when oil prices go down, we see a situation where the oil companies are not quite so quick to lower their prices.

Mr. Speaker, that is about it for the present time. I will have another little go at it later on. I should say before the member for Bonavista North (Mr. Lush) gets up that I would like to thank him for his co-operation, even though I criticized a couple of the members of the Opposition for not turning up. The member for Bonavista North was there at all times. The member helped out in every way possible and showed that he was an honourable member, not like some of his colleagues.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I do not know how I can take all this praise heaped upon me by the member for Port au Port (Mr. Hodder), and heaped upon me from time to time by other members during this debate. Mr. Speaker, there is an adage that says, 'Beware of Greeks bearing gifts.' I want to assure hon. members that I, like all other human beings, like a little praise but, I am half dubious, Mr. Speaker, about it when it comes from members opposite and the member for Port au Port.

Now, if I had to deal with the substance of what the member for Port au Port said, I would be finished now but, Mr. Speaker, I do want to deal with some of the questionable and dubious points that he presented. It is painstakingly excruciating to listen to a Liberal pretending to be a Tory.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

It painstaking excruciating to try and sit down here and listen to the hon. member struggle and to try and defend the indefensible. The hon. member is normally a good debater. As a matter of fact, I remember the Premier gloating when he crossed the other side, saying what a great debater he was. He could debate both sides of any issue but, I am afraid now he finds himself in the awkward position of not being able to defend the indefensible. He does it half-heartedly.

Mr. Speaker, he mentioned about how it was that the Minister of Finance (Dr. Collins) put an end to this myth of lowering taxes for the purpose of stimulating the economy and hence creating

economic and financial growth, thereby creating jobs. He said that the minister put to rest that myth.

Now, first of all it is not a myth. It is a proven economic theory that we can tax people to the extent where it has diminishing returns. This is where we are with the excessive taxes in this Province. Secondly, the minister put nothing to rest other than demonstrating that the minister operates with a government and for a government and with a team that is unimaginative and not willing to try any new methods to try and develop this Province. They are a government without a vision. That is what the minister indicated and proved to me in these Estimates Committees.

Now, the member is obviously proud about the fact that this Province generates 90 per cent of its budget, of the provincial revenues, not the federal, from taxes, either direct or indirect taxes or through fees and this kind of thing. Ninety per cent of that money is through taxes. This is why I say the minister is unimaginative. The only way that he can see to raise revenues in this Province and to cut the deficit by \$2 million is to raise a tax of some kind. That shows the lack of imagination, the lack of creativity, of the minister. He is reducing the deficit of this Province on the backs of the poor people of this Province. That is the extent of the minister's vision.

Is that putting to rest a myth? It is putting to rest nothing, Mr. Speaker. As I have said, first of all, the reduction of taxes is no myth. The Minister of Finance

(Dr. Collins) surely put nothing to rest. That is for sure.

I, in Committee, made four suggestions to the minister, four sound, solid, progressive suggestions. I suggested that he look at reducing the retail sales tax because it is the highest in Canada. It has got to have some effect on the spending of people in this Province. That has reached the point of diminishing returns. There is no question about it, Mr. Speaker.

I talked about double taxation, saying that the people who are forced to pay double taxation are the people who can least afford it, people buying secondhand cars and boats, people buying secondhand furniture, secondhand clothes, people forced to buy these because of the lack of employment in this Province, people who can least afford the double taxation. I suggested that to the minister. If he could not look at reducing sales tax, look at the double taxation.

What was the minister's answer to that? 'It would be too difficult to administer.' He did not find it very difficult to administer the taxes on building supplies, increasing that by 4 per cent, when what he should have done was reduced all of the taxes to 8 per cent. That is what he should have done. He is afraid to experiment. The first thing they will say is, 'prove to us that we will take in the money by reducing taxes equivalent to what we have lost by the reduction. Prove that to us.' Mr. Speaker, no imagination, no boldness! He is afraid to try something that is going to get the economy moving.

I suggested a small business

corporation tax holiday. I suggested that. No, the minister rejected that outright.

MR. TULK:

You told him to try it just for a period of time.

MR. LUSH:

That is right, just for a period of time and see if it worked.

I also suggested setting up tax zones, giving breaks in certain areas where the unemployment was high and the economy was sluggish and stagnant. The minister rejected that. Now, Mr. Speaker, I will ask how much more can we on this side suggest to the Minister of Finance (Dr. Collins)?

MR. TULK:

I will tell you what to do, go over and exchange jobs.

MR. LUSH:

Well, the people of this Province are going to have that opportunity and, unfortunately, I suppose, the gentlemen want to stay in power, they love power so much. They are clinging to it now by their fingernails. They want to stay there, and they would not give Newfoundland that benefit. What they should do is resign. But, Mr. Speaker, no, they will not do that. They will cling to power to the last minute and send Newfoundland and Labrador down the tube. They are on the road to disaster. Their financial policies, their fiscal policies are leading us down the road to disaster. Mr. Speaker, there is so much frustration, so much anxiety in this Province today that it is incredible! It has turned to anger.

Mr. Speaker, I want to talk about the Committees too because the

hon. gentleman talked about how smoothly the Committees operated. All sweetness and light! Now, Mr. Speaker, I take some credit for that because I always look at being a reasonable man. There is no point in fighting the way the Committees operate in the Committee themselves, because then we are losing time. That is what the government wants. They do not want any scrutiny of the expenditures, they do not want any kind of incisive, indepth analysis of the expenditures. They are delighted when they get into wrangling and hassling and points of order. I tried to avoid that. Mr. Speaker, in our Committee, we try to avoid that. We try to get on with the issues.

We try to debate the issues but the Committees, Mr. Speaker, are not working. Even though, we did not get into a lot of wrangling in our Committees, I thought we should try and debate some of the issues within the Committee. But, Mr. Speaker, they are not working. They are not getting any more analysis, Mr. Speaker, than you would in a Junior Red Cross meeting. We sort of criticize the press because the press is not in attendance. Members kind it difficult to get to these Committees.

Now, Mr. Speaker, if there is a problem and the government want to have their estimates debated, if they want them to be scrutinized, if they want this to be debated in a proper way, why are they not willing to make some changes and not follow on in a blind, inflexible manner with a Procrustean method?

MR. W. CARTER:

The public would like to know.

MR. LUSH:

The public would like to know. It is not serving the public. They would like to know what is going on. Now what can they do? Are they going to throw their arms up in despair and in a defeatist attitude, the same as they do with creating employment in this Province?

MR. BARRY:

And the railway.

MR. LUSH:

And the railway? Are they just going to throw their arms up in despair and let it go and let the Newfoundland economy go down the tube? Or are they going to do something about it? Is there anything that can be done to make these Committees work? Is there anything that can be done?

Surely, Mr. Speaker, if this government was concerned about making this House of Assembly work, if they were concerned with parliamentary reform, they would do something. We are the most backward Province in Canada with respect to parliamentary reform. Now they can do something to make these Committees work. The Standing Orders are not cast in stone. Why do we have to finish the estimates within fifteen days, for example? Why cannot they be twenty?

When we started this, this was an experiment but the experiment turns out to be something permanent because the government were delighted. They knew that the expenditures of this Province were not getting the kind of detailed scrutiny that they should be getting.

MR. TOBIN:

What do you suggest?

MR. LUSH:

I have just made one suggestion that we extend the hours. Is there something sacrosanct about the 75 hours? Can we not increase that to 100 hours if the government really want their estimates to be scrutinized? What are we afraid to look at that? Extend it to 100 hours! It does not have to be 15 days. Why can it not be 20 days? Why can it not be 25 days? Then we can have one Estimates Committee a day and then the press would be able to come. The press cannot come because they do not have the person power or the people power. They do not have the number of people to cover the meetings. So, Mr. Speaker, why cannot we, instead of going along with this inflexible Procrustean method, why can we not make it a little more flexible? Why can we not make it a little more flexible? Another wise suggestion but, because it is here, we turn to the rules.

We know the rules are not working. The rules governing the debates of the Estimates Committee are not working. Now, Mr. Speaker, we cannot change them. We are helpless. But I tell you it will not be long now before they will be changed. We will change them, Mr. Speaker. We are not afraid of parliamentary reform and we will make parliament work. We will make this House of Assembly work, changing the rules, bringing in television, those are the kinds of things, Mr. Speaker, we will do so that the people of this Province will know what is going on.

The St. John's City Council, a council for one city, gets more coverage than this House of Assembly. Mr. Speaker, the onus or responsibility for making this

House of Assembly work is on the government. But, Mr. Speaker, they do not want it to work. It is to the government's advantage that these estimates are rushed through. But, it is not serving the Opposition and, much more importantly, it is not serving the people of this Province.

No, Mr. Speaker, all is not sweetness and light in the Estimates Committee.

MR. TOBIN:

Do you have any suggestions 'Tom'?

MR. LUSH:

Do I have any suggestions? Can the hon member hear?

MR. TOBIN:

You only said you would extend the hours.

MR. LUSH:

That would solve it. That would solve it, an extension of the hours and an extension of the days to give hon. members, on both sides, time and give the press time to come into the House.

MR. W. CARTER:

Bring television into the Committees.

MR. LUSH:

Yes, bring television into the Committees, another way that our people would know what is going on.

Mr. Speaker, these are some sound suggestions that I have made to improve the Estimates Committees.

MR. J. CARTER:

What did you suggest?

MR. LUSH:

Mr. Speaker, I thought that the hon. gentleman could hear. Of course, I cannot verify that he

can understand, I cannot verify that. By what he says one would make certain conclusions but, then again, I cannot comment on that any further.

Mr. Speaker, these are some suggestions whereby we can make these Committees work and certainly expose this government for the kind of mishandling and mismanagement of the funds of this Province so that the people of this Province would be able to see what is going on.

For example, with respect to Transportation and Municipal Affairs, we come into this House and we approve block funding for capital works with respect to road construction in this Province, something that the Auditor General objects to. Now why the Auditor General did not identify Municipal Affairs, I do not know. The principle is the same. We come here and we approve \$20 millions, \$30 millions for capital works for road construction in this Province, not knowing where it is going to be spent, giving the government the chance to play their little petty political games about where they are going to pave these roads. Mr. Speaker, ask for a list and the best we can do is get last year's list. The Auditor General agrees that funds should not be approved that way. The specifics and the details of where these monies are to be spent should be given.

MR. SPEAKER (McNicholas):

Order, please! Order, please!

The hon. the member's time has elapsed.

AN HON. MEMBER:

By leave.

MR. SPEAKER:

Does the hon. member have leave?

SOME HON. MEMBERS:

No.

MR. SPEAKER:

Leave is not granted.

DR. COLLINS:

Mr. Speaker.

MR. SPEAKER:

The hon. the minister of Finance.

DR. COLLINS:

Mr. Speaker, the hon. member has driven me to my feet. He made such slashing, gashing attacks on the Treasury and on the Department of Finance and on the whole financial management of government that he has driven me to my feet. He has not made very good points but one cannot let them go by unanswered.

One point he did make was about how the Committees work. Now, I am sure some hon. members were in this House before we had the Committee system and the estimates of a department would come up. The first item was the Minister's Salary and the whole debate would take place on the Minister's Salary. It was not a very directed, very focused debate but, there would be absolutely no consideration given to any other head until the estimates were all over. The people were not well served by that. They did not know what was in each department, they had no idea. All they could see was this great harangue going on back and forth, not getting anywhere and then, finally, all the estimates would be passed without debate. There was an attempt made to get away from the system, to try to get it out of that particular forum where people

were grandstanding.

The idea was to put it into a smaller forum, or into a number of small fora, where, presumably, because there were a small number of people involved, they would actually get down to the issues and there would be a number of reporters there and that would be reported. Indeed, I think the system is working.

Let me just recount my own experience in these last Estimates Committees. This is the longest time Finance had been questioned in the Estimates Committees. We had three sessions. My memory in the past was that Finance was usually were cleared away in one session.

There was a lot of concentration on the poor old trotting park. The trotting park has finally given up the ghost so that that item is out now. I sort of miss it because there used to be so much time spent on that foolish trotting park. There was about \$180,000 out of a total finance budget of something like \$25 million. We used to spend about 60 per cent of the time talking about this foolish trotting park but I sort of miss it not being there.

Anyway, on this particular occasion, I had three sessions. Two of the sessions were the same and one session was very different. The first session was with certain members of the Liberal Opposition present and there was a fair bit of discussion on the specifics of certain headings. I thought we had a very good to and fro thing and, as a matter of fact, I thought that we were going to finish up the department things were going so

smoothly, however we did not.

The next session had a totally different atmosphere. There were different members on the Opposition present. We did not have a single sensible question the whole session - I think it went on for about an hour and a half - not a single sensible question! There was not a single heading dealt with. It was similar to in the old days when you were in the House and you got on to the Minister's Salary, you never got off it and there was never a sensible word said about it anyway. So that middle session was a total waste of time.

Then we had a third session, and I will say that the hon. member who just spoke, who is the Liberal Finance critic (Mr. Lush), was present at that third session. I know he was not present at the middle one. That was a total waste of time. I cannot remember whether he was at the first session; I do not think he was. But he was present at the third session and I must say that that third session reverted to the character of the first session where there were some sensible questions asked, and it was to and fro, not always agreement, obviously, but there was some discussion about the various headings. We went down and put through quite a number of them and finally we finished off the thing. Now, that is the way it should go, but it again epitomizes what can go on in Estimates.

You can have a total waste of time, which used to go on in the House, and my middle session was a total waste of time, or you can, indeed, serve the people of the Province sensibly by getting down and getting out the nitty-gritty

information that should be extracted in relation to the various heads. I just make that comment because the hon. member brought up the issue.

Now, the other point that the hon. member brought up was about the retail sales tax. We have gone over this before. I do not think the hon. member really is confused about the issue. I think he really is just making a political statement when he gets into the thing, but nevertheless, just in case he is a bit confused about it, I would like to go over it again from our perspective.

Our perspective is this: the retail sales tax is a regressive tax. Now, no one can doubt that, I think, if you look at the definition of what a regressive tax is. A regressive tax is where everyone pays essentially the same rate of tax, whether you are rich, poor or whatever you are. It is the same throughout. It is unlike a progressive tax, which is income tax, in which you are taxed according to your means.

Now, everyone recognizes the retail sales tax is regressive, and that is one of its bad features. What the hon. member wants to do is decrease the level of the tax. It is now 12 per cent. He wants to decrease it down to some figure. I do not know what he wants to reduce it down to, say 8 per cent. You can make a good argument on it. But that does not get away from the fact you still have a regressive tax. You still are asking the poor to pay 8 per cent, or if you decrease it down to 6, then 6 per cent, or whatever.

If you are faced with the need to have a regressive tax, how do you

get rid of some of these bad features. Unfortunately, you cannot get rid of all its bad features, but you can make the bad features less bad, or you can improve on the regressivity of the tax. The way you do this is to take the tax totally off essentials, and for individuals, essentials are things like food, fuel and like, say, children's clothing.

AN HON. MEMBER:
Housing.

DR. COLLINS:
It is not on houses. You do not pay retail sales tax if you buy a house.

AN HON. MEMBER:
A new home?

MR. SPEAKER (McNicholas):
Order, please!

DR. COLLINS:
Now, the hon. member might be totally ignorant about the tax system. I cannot help that but you do not pay retail sales tax on houses.

The other way you can deal with this matter is to also decrease tax on essential economic activities. That also helps out the economy. For instance, we do not put retail sales tax on most consumables in the fishing industry because the fishing industry is very important in this Province, it is related to a lot of employment in this Province and this government wants to increase the economic activity in relation to the fishery, so we do not put RST on the consumables in the fishing industry. There are also other industries handled that way.

Mr. Speaker, that does not make it a good progressive tax but it certainly is a much better tax than if we had the retail sales tax on everything. That is the sensible way in our view of, if you have to have a consumer tax, and I am afraid we do, there is no way of getting away from it unless we want to give up many government services, if you want to get away from the bad features of it, you do it in a sensible fashion, that is, you do not put any tax on essentials or on very important economic activities.

Now, the nonsensical way of dealing with the situation is just to decrease the tax a bit, such as the hon. member is wanting us to do. That does not get away from any regressivity. You still have the poor having to pay 6 or 8 per cent, whatever it is, on their food and on their fuel and that sort of thing because there is no way that you can decrease the tax without spreading out the base. There is no way you can do that unless you diminish your total revenues and, if you decrease your total revenues, you have to decrease your total services. You have to be sensible and logical about this sort of thing.

We have taken the sensible approach in our taxation policies in regard to consumer taxes. We do not tax essentials for the individual or we do not tax the essential economic activities but, we do have to make sure that the general level of tax, that is on non-essentials and on activities that cannot be considered absolutely fundamental or basic economic activities, we have to have a level of tax that will give us the revenues we require for our services. That is why we had to come up with 12 per cent at the

present time.

Now, we have looked, during the budgetary process, of course, at decreasing the general level to 11 and 10 per cent and so on and so forth, but we found that we could not make the equation work. To keep in place the exemptions we have in place, which get away from much of the regressivity of the tax, that feature, to keep those in place and also to keep in place our level of revenues which would allow us to exhibit the level of public services that we have in place and which people demand, we have to keep in place the 12 per cent tax.

Now, if economic activities increase, and they will, now that the recession is over, now that the tremendous amount of work this government has put in to organizing and arranging and restructuring the Newfoundland economy - and that cannot be done in a few weeks, a few months or even in a few years, it takes a period of time to do that - now that all that tremendous amount of work has been put in place and now that the recession essentially is behind us - we have come out of it and we are rapidly getting back to a more normal rate of economic activity - we are going to find that there will be increased revenues generally coming into the Province and we will be able to look at decreasing the general level of taxation.

MR. SPEAKER (McNicholas):

Order, please! The hon. the minister's time has elapsed.

MR. DECKER:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for the Strait

of Belle Isle.

MR. FUREY:

Straighten him out on the housing tax will you?

MR. DECKER:

The hon. the Minister of Finance (Dr. Collins), when he talks about his essentials, seems to me to be suggesting that adult clothing is not essential. I beg to disagree with the hon. minister because he is talking about a society. I am not talking about modesty. I am talking about the practicality of wearing clothes, Mr. Speaker.

MR. TULK:

He is even worse than the Premier when (inaudible).

MR. DECKER:

Yes he is. Mr. Speaker, I am not going to dwell on that. It is obviously a difference of opinion between two gentlemen because I certainly think that adult clothing is an essential. You would change the complete society as we have known it if clothing for adults was not essential.

Mr. Speaker, this weekend I happened to visit St. Anthony in my district. It was a resting weekend after spending so much time in those Committee meetings and discussing such things as Transportation. I learned, Mr. Speaker, while I was in my district, that the Grenfell up there has a new psychiatrist on staff. I am sure the hon. Minister of Finance will be interested in this little episode, he being a doctor himself but, not a psychiatrist, of course. The new psychiatrist in St. Anthony is deeply concerned because, according to the law of averages there should be forty-two more schizophrenics in St. Anthony than

are already there. Mr. Speaker, I too am a little bit concerned about those eighty-four people, wherever they are because, no doubt, they are potential voters. The psychiatrist is extremely put out that there are forty-two schizophrenics who are not in St. Anthony.

Maybe, Mr. Speaker, I might be able to throw some light on those missing eighty-four half people or those forty-two schizophrenics, however you want to look at that. Because, Mr. Speaker, I think it is a fact that, judging by what happened in this House today, the Premier himself is acting somewhat strangely. I am not saying, Mr. Speaker, that he is a schizophrenic. Of course not. But I do see two sides of the hon. the Premier, two opposing sides of the Premier. Mr. Speaker, let me give you an example.

On January 18, 1980, the Premier says this: "The railway must be made attractive to users. It must be made to work. The Government of Canada has that constitutional obligation under the Terms of Union." Now, that is the Premier on January 18, 1980. "The Government of Canada has that constitutional obligation under the Terms of Union."

Today, Mr. Speaker, we see the other opposing side of the Premier when he gets up in this House and he abuses the Terms of Union. He tries to say that the Terms of Union cannot justify us keeping a railway. The Premier said it today, and he tried to use Term 32.

MR. SIMMS:

What did you say to him before that?

MR. SPEAKER:

Order, please!

MR. DECKER:

I sucked him into saying that Term 32 applied. It did not. He walked right into my trap. Term 32, Mr. Speaker, has no more to do with keeping the railway than it has to do with keeping satellites in space.

SOME HON. MEMBERS:

Hear, hear!

MR. DECKER:

Term 32 talks about 'Canada will maintain in accordance with the traffic offering a freight and passenger steamship service between North Sydney and Port aux Basques.

MR. TULK:

There is no railway between North Sydney and Port aux Basques.

MR. DECKER:

When you start talking about the railway, Mr. Speaker, Term 32 does not exist. Yet, the Premier in his desperation, trying to justify anything that is done in Ottawa, no matter what it is, he is scrambling for some proof that indeed those guys in Ottawa, who want to take away the railway, are indeed doing something which is not illegal. He is so desperate that he will scrape at the bottom of the barrel, he is grasping at straws and he is taking other Terms of Union which are totally irrelevant to Term 31(a), which is clear, Mr. Speaker.

MR. TULK:

And what did he say about the member for the Strait of Belle Isle?

MR. DECKER:

I had rocks in my head, Mr. Speaker. I had rocks in my head!

MR. BAIRD:

I did not think you had anything in your head.

MR. DECKER:

It is obvious, Mr. Speaker, that somehow I read Term 31. Obviously the Premier had never read Term 31 before in his life.

MR. SIMMS:

Are you casting reflections on the Speaker?

MR. DECKER:

Any reflection on the Speaker, I will withdraw. It is not my style to do that and the minister knows that quite well.

Term 31 says, "As the date of union -

MR. FUREY:

What about the anti-confederates -

MR. DECKER:

Mr. Speaker, can you keep my colleagues quiet? "At the date of Union, or as soon thereafter as practicable, Canada will take over the following services." Now a service, Mr. Speaker, to me, is something which is ongoing. Obviously, there was a service, there was a railway. Canada would take that service over, Mr. Speaker, "and will as from the date of Union relieve the Province of Newfoundland of the public costs incurred in respect of each service taken over," and there is a whole list of them named, "the Newfoundland Railway, including steamships and other marine services."

Now, that Term of Union is perfectly clear, Mr. Speaker, as clear as a bell. No man can doubt the clarity of that. Yet the Premier in his desperation to justify what Ottawa is doing with

our Terms of Union is grasping at straws and trying to prove that what they are doing is right.

So, Mr. Speaker, to the psychiatrist in St. Anthony who is missing forty-two schizophrenics, I want to draw his attention to the dichotomy, to the dual personality, to the two sides of the Premier, and suggest that maybe he should not be looking in St. Anthony, but he should be looking in some other place, maybe in St. John's, maybe even in this hon. Assembly.

I will continue that argument, Mr. Speaker. On January 18, 1980, here is the Premier speaking again, "I am confident" - I can hear him going now like he goes, with his coat open - "that the federal government" - does he keep his glasses on when he is doing this? - "under Prime Minister Clark, in response to the forceful argument of the hon. John Crosbie and the hon. Jim McGrath" - who was the first fellow to suggest that we sell it off for half a billion dollars?

MR. FUREY:
McGrath.

MR. DECKER:
Jim McGrath, number one. Jim McGrath was set up to do it, to break the subject, to sort of soften us up. You know the way you do it. To soften it up Jim said, 'Ah, the boys down there should sell the thing off anyway. It is not working.'

"I am confident", one-side of the schizophrenic Premier says, "I am confident that the federal government in response to the forceful" - I get carried away, like the Premier. I am reading this phrase, and you have to put

some feeling into it, because when the Premier gave this - was 1980 an election year? It is probably the only year there was not an election. "The hon. John Crosbie and the hon. Jim McGrath will also do their part to show that their commitment to the revitalization of the railway is real."

Do you remember this particular speech, by the way?

MR. TULK:
Oh, absolutely!

MR. DECKER:
I can imagine this was something.

"Indeed we are most fortunate that at this critical stage we are represented in Ottawa by not one but two Cabinet ministers whose public record is one of unwavering support for the railway. I look forward to working with them in this great venture."

MR. SPEAKER:
Order, please!

The hon. member's time is elapsed.

SOME HON. MEMBERS:
By leave! By leave!

MR. MARSHALL:
Mr. Speaker, there is no leave.

MR. SPEAKER:
Leave is not granted.

MR. MARSHALL:
May I be entitled to speak for a few moments? I believe we are considering the Government Services Committee, Mr. Speaker. I have a ten minute long impassioned speech I would like to give in ten minutes and not have it broken, so why do we not call it 6:00 o'clock?

MR. OTTENHEIMER:
Yes. A good idea.

MR. MARSHALL:
I adjourn the debate, Mr. Speaker,
and I move that the House at its
rising to adjourn until tomorrow,
Wednesday, at 3:00 p.m.

On motion, the House at its rising
adjourned until tomorrow,
Wednesday at 3:00 p.m.