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**VERBATIM REPORT**  
*(Hansard)*

*Speaker: Honourable Patrick McNicholas*

Thursday

11 June 1987

The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):  
Order, please!

Before calling for Statements by Ministers, I would like to deal with a point of order raised by the hon. the member for St. John's East (Mr. Long). The Deputy Chairman of Committees asked me if I would deal with it. I think it was originally raised as a point of privilege but later as a point of order.

In Hansard, one would get the impression that the clauses referred to were taken together, but I did check that matter on the tape upstairs and clause 6 was called separately, as was clause 7. So that matter has been dealt with.

o o o

MR. FLIGHT:  
A point of privilege, Mr. Speaker.

MR. SPEAKER:  
A point of privilege, the hon. the member for Windsor - Buchans.

MR. FLIGHT:  
Thank you, Mr. Speaker. I will try to make my point of privilege as quickly as possible, Sir.

Mr. Speaker, you will know that there were eleven jobs created in Catamaran Park, you will also know that there are demonstrations taking place now at Catamaran Park, and you will also know, Sir, that I raised the issue in Question Period yesterday, as was my right. Today, on CBC radio, the Premier was quoted as saying that the reason no jobs went to Badger is because the member for

Windsor - Buchans (Mr. Flight) was not doing his job as a member of the House of Assembly.

The Premier, Mr. Speaker, in answering my question yesterday said, and I quote from Hansard, "The minister has apparently informed me that he received no representation from the member for Windsor - Buchans, Mr. Flight, at all for these special provincial job creation projects.

Now, Mr. Speaker, I have, and I am prepared to table, copies of seven letters, dated from February 14 through to June 4, addressed to Mr. Don Hustins, Director of Parks Division. I want to draw to the Speaker's attention that each one of those letters, Sir, was in support of an application from Badger for the jobs. Mr. Speaker, I personally sent application forms to constituents in Badger and, Mr. Speaker, recognizing what might happen as a result of the first two jobs that were placed in Catamaran Park, I called the Deputy Minister of Parks and told him the situation, that there were needy students in Badger, and young adults, who badly needed those jobs and if they did not get their share of jobs there may well be demonstrations. My motive, Sir, was to head off the kind of thing we are seeing in Badger.

I will just say to the Speaker, in winding up my point of privilege, that the reason I write, and any other members write to the minister's officials -

MR. MATTHEWS:  
You did not write to me, boy.

MR. FLIGHT:  
- is to keep political interference out of jobs that are created by this government.

My point of privilege is this, Mr. Speaker: I believe, in the Premier acting as he did in the House of Assembly and in public, he is trying to inhibit my ability to do my job as an MHA; he is questioning my diligence and sincerity and competence in performing as a member of this House of Assembly. I believe, Mr. Speaker, that the Premier has breached my privileges as a member of this House of Assembly and I hope that you, Sir, and this House will concur that he has indeed done so.

I believe I am intitled to nothing less than an apology from the Premier of this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:  
Hear, hear!

DR. COLLINS:  
To the point of privilege, Mr. Speaker.

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

DR. COLLINS:  
Mr. Speaker, I hardly need get up, because Your Honour knows, I am sure, that that is not a point of privilege. The hon. the Premier answered to the best of his knowledge. The hon. member opposite does not agree with him. So what? It is a difference of opinion. There is no point of privilege there.

MR. SPEAKER:  
To that point of privilege.

MR. SIMMONS:  
Mr. Speaker.

MR. SPEAKER:  
Very briefly. I am quite prepared

to rule, but I will hear the hon. the Leader of the Opposition.

MR. SIMMONS:  
Mr. Speaker, I think it needs to be reinforced that what the gentleman for Windsor - Buchans has demonstrated to the House is that the Premier has clearly been caught in a fairly clumsy attempt to mislead the House. It is understood that senior civil servants, of whom Don Hustins is certainly one, who have administrative responsibility for matters such as parks, clearly handle matters for their respective ministers. The Premier, in submitting to this House yesterday that my friend and colleague had not made representation, was clearly making a false statement, a statement which does not stand up to scrutiny, as is demonstrated by the seven letters, not to mention the many phone calls and personal business that member has made on behalf of his constituents, particularly those in Badger in the present instance. So, I submit to you, Mr. Speaker, that you consider, even if you want to take time to do this, the two contradictory bits of information: The Premier on the one hand says the representation was not made, and my friend not only says it was made but says here is the proof that it was made. I submit to you, Sir, that that alone constitutes, on the part of the Premier, a breach of the privileges of that member and, indeed, all members of this Chamber.

SOME HON. MEMBERS:  
Hear, hear!

MR. SPEAKER:  
Order, please!

I have heard two submissions from my right. I will hear one more and then I will be quite prepared to make a ruling.

MR. MATTHEWS:

Mr. Speaker, to that point of privilege.

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

In essence, what the hon. member for Windsor - Buchans has done is verify the Premier's statement, as is in Hansard, that the member did not make representation to the minister. The member has verified that his representation was made to the Director of Parks. Now, in the Department of Culture, Recreation and Youth, with its six divisions, hundreds and hundreds of letters a week go to officials about parks, wildlife, recreation and youth. The situation is that this member did not make representation to me as a minister. I am on the floor of this legislature on a daily basis, when I am lobbied consistently by members from the two parties opposite, and on a number of occasions members opposite have come to me about jobs and there have been jobs provided. The fact of the matter is, I think, Mr. Speaker, that the member has verified that indeed what the Premier said is correct, that he did not make representation to the minister.

MR. SPEAKER:

To that point of privilege, the hon. member has taken the opportunity of explaining his point of view. There is no prima facie case of breach of privilege.

I would like to welcome to the

visitor's gallery fifty-two Grade V students and their six teachers from Memorial Academy in Botwood.

SOME HON. MEMBERS:

Hear, hear!

### Statements by Ministers

MR. SPEAKER:

The hon. the member for Torngat Mountains.

MR. WARREN:

Mr. Speaker, by leave I would like to ask the Speaker to send a congratulatory letter to Mr. Gordon Obed, Nain, Labrador, an Inuit journalist, broadcaster with the Inuit radio station in Nain, who recently won the National Aboriginal Communications Society Award for Journalism.

SOME HON. MEMBERS:

Hear, hear!

MR. WARREN:

I might add, for the reporters in the gallery, that Mr. Obed only has a Grade VIII education, which shows the ability of that gentleman in the broadcasting field.

Gordon won his award when he attended a news conference held in Frobisher Bay by National Defence officials who were doing a seminar on the warning radar systems for the North. Gordon did a four and a half minute broadcast interview with the officials and, subsequently, out of twenty-six communities across the North, Gordon was selected as the winner.

I might add also, Mr. Speaker, he is the first Native person in the Province of Newfoundland and Labrador to win such an award.

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. KELLAND:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Naskaupi.

MR. KELLAND:

It gives me pleasure, Mr. Speaker, to rise and add our party's support to the congratulatory message that will go out to Mr. Obed. Just a day or two ago, I had the pleasure of doing an interview with Mr. Obed, as a working member of the Okaalakatigiit Society in Nain, and I was quite amazed and pleased with his grasp of the local situation with respect to Labrador issues, and we were discussing that in the interview. He has a determination to make sure the Society's work is carried on on a very high level, which serves the communities mainly in Torngat Mountains district, from Nain to Rigolet. We do, indeed, support that sort of an enterprise by the Native peoples, particularly in the region of Labrador, and certainly in other parts of the Province as well. So, it is our pleasure to support that and add our congratulations to those expressed by the member for Torngat Mountains.

SOME HON. MEMBERS:

Hear, hear!

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Mr. Speaker, we would make it

unanimous, in that we join with the other two Labrador members in congratulating Mr. Obed for the fine journalistic work being done and point out that this is one of the facets that I think Native people are becoming much better at, interpreting to themselves and to the rest of the world in terms of what their aspirations are. I think it is one of the steps towards creating an identity and a degree of self-government, which I think is very important and which we as a party endorse, and which I think all parties in this House should eventually endorse, that there is a need, I think, for Native people, both Inuit and Innu, to feel some control over their own environment. The work they have done in communications clearly is a first step towards that, and we certainly endorse the fine journalistic work of Mr. Obed.

MR. WINDSOR:

Mr. Speaker.

MR. SPEAKER:

The hon. the President of Treasury Board.

MR. WINDSOR:

Mr. Speaker, I want to make two brief statements. I want to, first of all, apologize to the parties opposite that I did not have copies available to give them. I will give them copies very shortly. They are very briefs statements.

Mr. Speaker, I am pleased to announce that a tentative agreement has been reached with the Newfoundland Association of Public Employees, covering some 600 Lab and X-Ray employees in hospitals throughout the Province. I make this announcement on behalf of government and, as well, the Newfoundland Hospital and Nursing

Home Association. This agreement will carry on from the agreement which is due to expire on June 30, 1987.

I am also pleased to announce on behalf of government and the Marine Institute that tentative agreements have been reached with the two bargaining agents representing faculty and support staff employees at the Institute. The Marine Institute Faculty Association represents approximately 110 instructors and the Newfoundland Association of Public Employees represents approximately 60 support staff employees.

The successful conclusion of these negotiations guarantees several years of labour peace and co-operation in this critical period in the Marine Institutes development.

I also meant to note, Mr. Speaker, the assistance of the Minister of Labour (Mr. Blanchard) and his staff in facilitating these negotiations to this successful conclusion. I will also note, Mr. Speaker, that this brings to more than 99 per cent of all public employees who have signed collective agreements with this government within the last twelve months. Not bad for a government that cannot negotiate!

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. SIMMONS:

As the minister has intimated, we

have not seen copies of the statement, but judging from what the minister just said and particularly judging from his whistling past the graveyard remark at the end, it seems to me he probably protests too much when he talks about the 99 per cent and then, in his own words, 'we cannot negotiate'. Both items are correct.

The 99 per cent is correct, and they cannot negotiate is equally correct, else, how do you explain the furor in labour matters that we have witnessed and have been put through in this Province, particularly in the past three or four years, else, Mr. Speaker, how do you explain and how does the Minister of Labour, in particular, explain to the nurses of this Province, to the hospital workers of this Province? Where is his justification for the current frustration that those people are experiencing? people who are caught up in a situation of almost volcanic proportions, a situation that is about to blow, I say to him.

AN HON. MEMBER:

(Inaudible).

MR. SIMMONS:

I am talking particularly about hospital staff, so he can restrain himself on the red herring approach and just listen for a moment to what it is we are saying to him, because we are saying it on behalf of many hospital workers who have great concern about what is to happen to them because of the lack of attention of this administration to their legitimate concerns.

I know what he is saying about nurses is true, but I also know and he knows to be true that the

hospital workers are most apprehensive these days with very good reason, Mr. Speaker.

MR. WINDSOR:  
(Inaudible) agreement (inaudible).

MR. SIMMONS:  
I know exactly what the minister is saying and the minister knows exactly what I am saying. I am saying to him that he can skate all he wants on this one, but what he ought to do instead is address that very serious situation in the hospitals before it blows publicly. That is what I am saying to him.

SOME HON. MEMBERS:  
Hear, hear!

MR. FENWICK:  
Mr. Speaker.

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

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

Just a couple of comments: The 99 per cent that were under contract over the last twelve months, of course, would give one the impression if one did not know better that it was smooth sailing for the last twelve months. I think all of us realize that it has been a particularly rough road in terms of labour negotiations, especially with the employees of the provincial government.

Hopefully, the committee now looking at the Public Service Collective Bargaining Act can bring in some excellent amendments to level off the playing field and in the future we will have some rules which all of us can live with.

Having said that, I should note that the 600 lab and X-ray employees who have signed were one of the first groups to challenge the provincial government's authority to arbitrarily determine the rules. If I recall correctly, in the Fall of 1981 the infamous Bill 111 was brought in to order the lab and X-ray people back to work. I am glad to see that they have not held that completely against the government and have been able to find an acceptable agreement.

Mr. Speaker, I think one of the things we should realize is that public employees are, by and large, extremely responsible individuals who would like nothing better than to do their job as best they can and to receive a fair wage for it. Hopefully, out of the next year or so, we will be able to bring in legislation which will ensure that in future the collective bargaining process is carried on in a spirit of fairness, with protection for the public and also equal guarantees for the rights of the employees themselves.

Thank you very much, Mr. Speaker.

### Oral Questions

MR. K. AYLWARD:  
Mr. Speaker.

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

MR. K. AYLWARD:  
Thank you, Mr. Speaker.

I have a question for the Minister of Culture, Recreation and Youth (Mr. Matthews). First off, I

would like to know if the minister has the report of the Facility Advisory Committee on Recreational Facilities. If he has it, since it was, I believe, in late 1985 that they finished their hearings and submitted it to him, I would like to know the date they submitted it to him, I would like to know why he has not tabled it in the House, and I would also like to know the mandate for which they undertook to report.

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, the report was done by the Facility Advisory Committee, which was an advisory committee to the minister. The committee was appointed by my predecessor, who is now the Minister of Fisheries (Mr. Rideout), and the report was delivered to me approximately eleven or twelve months ago. We had the department do a detailed analysis of it. There were a lot of recommendations in it, some of a monetary nature, some of a non-monetary nature, and government has been evaluating it for a long period of time. It looks very much, Mr. Speaker, as if the monetary recommendations of the report are causing some concern for us considering the Province's financial position.

MR. K. AYLWARD:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Stephenville.

MR. K. AYLWARD:

Could the minister tell us why, since this report was done by groups from around the Province

who presented briefs and so on, he has not presented the report to the House of Assembly since it is a report that many people out there would like to see because it gives a plan? I would like to know why he has not brought it to the House. Is the reason he has not brought it to the House because there is embarrassing information in the report, which tells about the job that Culture, Recreation and Youth has been doing in the allocation of grants and so on?

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

No, Mr. Speaker. That is not the reason. It is a good report. As I said, there are numerous recommendations in the report. Some of the recommendations, as I said, are of a strictly monetary nature, recommending the hiring of additional staff for various purposes for recreation in the Province. One of the main thrusts of the report is planning, and they talk about a number of positions for planning.

The other situation is there are a number of recommendations in the report that have already been acted upon within the past two years by the department, such as electrical power subsidies, retrofit to make facilities in the Province more energy efficient, and reducing the length of the payout schedule of recreation capital grants. These are things that have been already ongoing for the last two years, at least since I have been minister of the department. So some of the recommendations of the report, Mr. Speaker, were already being acted upon before the report was even



received. As I said, there are other recommendations that are of a strictly financial nature and, as I have said, we have some concerns about them, looking at the financial position of the Province, which reflects directly upon the department. That is the situation with the report, Mr. Speaker.

MR. K. AYLWARD:  
Mr. Speaker.

MR. SPEAKER:  
A final supplementary.

MR. K. AYLWARD:  
Would the minister answer these questions? First off, I want to know why, again, he has not brought it to the House of Assembly since there are many groups out there who would like to have a copy of the report since they put their input into it? Also, why will he not give us the details of the grants that have been allocated in the last two or three years, which we have requested on numerous occasions and which I have requested in the estimates committee? Why will you not give us the details of the allocations of grants, where they have gone? Is the reason because you are afraid that we might see where the monies have been going? Is that the reason? Why do you not just show us the fair job that you have been doing?

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

MR. MATTHEWS:  
Mr. Speaker, now the hon. gentleman has expanded his question to talk about recreation capital grants and allocations over the last number of years. He is not dealing now specifically

with the Facility Advisory Committee Report, because the only thrust in the Facility Advisory Committee Report on recreation capital grants is that the pay out period of staggering it for four or five years should be reduced, and we are making a very conscious effort to try and reduce that. Of course, that puts us in a bit of a dilemma, because if you reduce the pay out schedule for grants then it enables you to fund less projects in the Province from recreation improvements, to facilities or start up of new facilities. So it is the sort of dilemma that you get into, whereas if you have a longer staggered period of payment, you can then fund and get started a greater number of projects. So that is a bit of a dilemma in that particular area of recreation capital grants.

As I said to the hon. gentleman, the Facility Advisory Committee is an advisory committee to the minister, and I guess that should explain to the hon. member why the report has not been tabled to date.

MR. TULK:  
Mr. Speaker.

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

MR. TULK:  
Mr. Speaker, I have a question for the Minister of Culture, Recreation and Youth. His original answer to the member for Stephenville (Mr. K. Aylward), he gave as his reason for not tabling the report - if I can get his attention - the fact that there were monitory recommendations and that there were planning recommendations and so on, recommendations concerning planning. I am sure that the

minister, Mr. Speaker, will admit that the tabling or the making public of the report does not commit the government to spending money or indeed to undertaking the recommendations that are contained therein. He will also recognize that the report is twelve months old, so I would ask him, Mr. Speaker, when can we expect this report to be tabled in the House, which he has had in his possession for twelve months, so that the public can have a debate, so that we can have a debate in this Legislature? When will he table that report?

MR. SPEAKER:

The hon. the minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, the Facility Advisory Committee was struck as a result of the Green Paper on Recreation which was commissioned back in the days when the Minister of Transportation (Mr. Dawe) was Minister of Culture, Recreation and Youth. And there has been an ongoing process stemming out of the Green Paper on Recreation, and this Facility Advisory Committee report was one of the recommendations of the Green Paper. It is spelled out in the Green Paper on Recreation that a Facility Advisory Committee would be struck and would be an Advisory Committee to the minister to do a report to give to the minister for advice. That is specifically what has happened.

As I said, we have gone through a long period of evaluation, looking at it from a department point of view, the various committees of Cabinet have looked at it and so on. Mr. Speaker, the hon. gentleman talks about planning and so on. I mean, it is one thing to

talk about recommendations that we already started and initiated. Last year, for feasibility studies and viability studies in this Province, we funded some eight or ten communities or regions for feasibility studies. The hon. gentleman, I guess, is very much aware that one of those studies we partially funded was a study for Stephenville. And we have done it in various regions of the Province that have had requests in for planning, because our department is a strong believer in proper planning since we have forty or so stadiums in the Province and twenty or so swimming pools. I think for a Province with our population and size that we are very well versed in major facilities. Of course, a lot of the problems that we are now experiencing in recreation facilities in the Province, in major facilities, is that there was inadequate planning went into the original structures. So we are trying to correct that. We have made a move towards planning which is the major thrust of the Facility Advisory Committee Report. So we have already initiated that before we even received the report.

MR. TULK:

Mr. Speaker, a supplementary.

MR. SPEAKER:

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, the minister will note that I asked him when he would table the report. I would ask him why he refuses to answer the question, why he refuses to table a report which is twelve months old, which he has had in his position for twelve months?

AN HON. MEMBER:

Fourteen.

MR. TULK:

Fourteen, practically, fourteen months. I would ask him why he has a report in his hands for fourteen months which he refuses to make public? It creates suspicion, and I would ask him has he something to hide, if indeed the Department of Culture, Recreation and Youth is perhaps being used a political pork barrel by the hon. gentleman?

SOME HON. MEMBERS:

Hear, hear!

MR. MATTHEWS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, the hon. gentleman has been a suspicious character since I first met him. I would suggest that his new Leader down there should be very suspicious of him as well, because any day now he could start another movement.

But to get back to the report, Mr. Speaker, as I have said indirectly, I guess I have answered the question in answering the member for Stephenville. I do not know how much plainer I can say it: The Facility Advisory Committee did a report, an advisory report to the Minister of Culture, Recreation and Youth, of whom there is only one in this House of Assembly and in this Province and that happens to me, so I have it.

MR. FLIGHT:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Winsdor - Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

My question also is for the Minister of Culture, Recreation and Youth. I indicated earlier to the minister that I have in my hands copies of letters that I have written from February to April to June on behalf of constituents seeking jobs at Catamaran Park. Now, I would ask the minister, does this mean anything? Does this make any difference at all, or is the minister saying that in order to get jobs at Catamaran Park an applicant must have the direct, expressed approval of the Minister of Culture, Recreation and Youth (Mr. Simms)? Is that what the minister is saying?

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

No, Mr. Speaker, that is not what I said at all. The Premier in answering a question yesterday said that from information he had received from the minister that this member had not made any representation to me, which was just a side comment of the total discussion and answer. Now the hon. gentleman comes into the House today with seven letters, which he has not tabled yet, that he says he sent to the Director of Parks. As I said before, there are hundreds and hundreds of letters a week that go to officials within the Department of Culture, Recreation and Youth about numbers of matters pertaining to the department. The thing is I deal with hundreds of letters a week as a minister and,

I mean, it is just not possible to remember all the letters that come to me about certain aspects of the department. I mean, the member for Port de Grave (Mr. Efford) has been asking about a letter he wrote me as well. He wrote it to me, it was received on April 13, I responded back to the person he enquired about, I think it was around the twentieth, with a copy of an application for her to apply for a parks job. The other thing is, of course, in another situation, Mr. Speaker, the hon. gentleman is trying to make this a very one-sided issue and he is being very parochial about it. All of the people employed in Catamaran Park were unemployed Newfoundlanders and Labradorians who were eligible to work on a provincial Job Creation Programme in a provincial park. Now, that is not taking anything away whatsoever, Mr. Speaker, from the people whom he is now talking about who did not get a job, that they did not have a very legitimate need, and there are hundreds of others, some 1100 in the Province, who applied for our Job Creation Programme in parks, of whom we have hired 225. So the answer to the hon. gentleman's question is no. Those who got jobs in the parks did not get them as a direct result of interference or representation by a member on either side. We ran into a situation in Sand Banks, in Burgeo - Bay d'Espoir, where, when the number of applications were in, some of them were from high school students who were not eligible to work until June 20, so we were one short. The information that I have is that someone in my office, in my department, called the member and said, "Look, we are one short. Is there any way you can assist us with a name because we would like to fill up the jobs,"

to seven, or eight or whatever it was. So that happened and we thank the hon. member for it. That is the way we like to work, Mr. Speaker.

MR. FLIGHT:  
Mr. Speaker.

MR. SPEAKER:  
A final supplementary.

I would ask all hon. members to try and keep their questions short and their answers as brief as possible.

The hon. the member for Windsor - Buchans.

MR. FLIGHT:  
Since it is the final supplementary, Mr. Speaker, I have to remind the minister that those letters went direct to the man in Newfoundland responsible for the administration of parks. Either one of two things is happening: Either his officials are ignoring the minister, or the minister is ignoring the officials.

MR. BAIRD:  
And they are all ignoring you.

MR. FLIGHT:  
Mr. Speaker, earlier today the minister said, 'Dozens of members of the House of Assembly have come to me and, as a result, got jobs.' Now, that is what the minister said. Now, is this not admitting blatant political interference in the passing out of jobs in parks, specifically Catamaran, or anything else that this minister is responsible for in this Province - blatant, political interference? He has admitted it!

SOME HON. MEMBERS:  
Hear, hear!

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, the answer is no. I do not know if I used the word 'dozens', but on a daily basis there are members opposite, of your party - you should talk to some of your colleagues - who lobby me for jobs in parks, for grants, for some problems with moose licenses, for some youth problems, and I talk to them, and so I should. I am proud to do it.

Now, the hon. member is being very parochial. On one occasion last year he had a member make representation to me for work for his own daughter.

MR. HISCOCK:

And why not?

MR. MATTHEWS:

And why not: What I am saying is you cannot have it all one way. When something does not go your way, do not try to kick the hell out of us because things are not going properly for you, and on the other side, then, make representation. You never bring up when, because of some representation you make or because of my consideration as the minister, things sort of work out for you when you call somebody and tell them, 'Boy, I made representation to the minister, I think you are going to get your grant, I think you are going to get a job. I do not know, but I think.' When it works out we never hear anything about it.

We have a situation in Catamaran Park which is similar to a lot of other areas of the Province. We had 1100 people apply for jobs. We had 225 jobs created, of which

40 per cent are for youth. Ninety young people, under the age of twenty-five, are now working as a result of that job creation programme in provincial parks only. Today in provincial parks we have 516 people employed, and 225 of those are a direct result of this government's job creation programme. Today in provincial parks there are 185 people working who are under twenty-five years of age.

Mr. Speaker, I am not going to apologize to the hon. member or anyone else for that. I am proud that this year, under the Job Creation Programme, I have been able to access approximately \$1 million for improvements to provincial parks and, in so doing, we have created 225 jobs.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Mr. Speaker, my question is for the Minister of Culture, Recreation and Youth as well, and it is in the same vein. Could the minister tell us what procedure has been used in order to select employees for employment at the Duley Lake camp ground in Labrador West? Is it the same way as he has indicated here, by applications to the minister, or has some other procedure been used?

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, it is no different in Duley Lake than in any other part of the Province. I think, under the announced Job Creation

Programme, it was explained quite explicitly what people had to do to be considered. There had to be applications on file. There has been an update on a weekly basis of the jobs created in the Province because of the Job Creation Programmes, in Fisheries, Rural Development, Forestry, and parks, and, I think, the hon. gentleman is well aware of it.

MR. FENWICK:  
Mr. Speaker.

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

MR. FENWICK:  
My supplementary, Mr. Speaker, is, if it is done the same way, could the minister explain why the secretary to the member for Torngat Mountains (Mr. Warren) convened a meeting last March of Memorial University students to ask which of them were interested in jobs at the park, and why she was the individual who has handled the actual hiring of the people? Why is she the actual individual who not only hired them but has been in contact with them, getting their social insurance number and getting them squared away in the park itself? Could he explain, if this is the same procedure used elsewhere, what is the member for Torngat Mountain's secretary doing as a recruiting agent for your department?

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

MR. MATTHEWS:  
Mr. Speaker, the member's secretary is not a recruitment officer for my department. I do not know where he was in March. I am not sure.

MR. YOUNG:  
In jail, I think.

MR. MATTHEWS:  
I do know if he was able to make representation on behalf of his district or not, because there have been periods of time over the last twelve months where he really could not. All I can say is that the representation that the hon. member has made for his own district of Torngat Mountains, and indeed all of Labrador, is second to none since my involvement, in the five years I have been here in this House of Assembly.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
If they had the initiative and the foresight to go and talk to students at Memorial University to try and help them find employment throughout the Summer, regardless of whether it was with the provincial or federal government, then I commend the member for Torngat Mountains and his secretary. I just want to assure you, in answer to your question that no, she is not a recruitment officer for the Department of Culture, Recreation and Youth, and the hiring process in Duley Lake was the same as for every other park in the Province. Some thirty-five where there are projects ongoing. People had to apply to the Parks Division and, as I said, there were 1100 applications and 225 jobs and, anytime you have that situation, Mr. Speaker, whether in parks or in other sectors of society, the 900 or so who do not get jobs are quite naturally disappointed. I appreciate that because we do realize there is a real problem with unemployment in the Province.

MR. FENWICK:  
Mr. Speaker.

MR. SPEAKER:  
A final supplementary.

MR. FENWICK:  
Mr. Speaker, my final supplementary to the minister - but I am not sure that the question will get through because it does not seem that he is capable of understanding that he is playing with the people's money and not his own - is: Does the minister not feel any shame whatsoever -

MR. MATTHEWS:  
Not a bit.

MR. FENWICK:  
- that the money that is voted by taxation in this Province, that comes partially from the federal government, is being used in order to prop up the Tory Party in this Province by specifically hiring people who, in order to work, are later under obligation to those particular members? Does the minister not feel any shame that this perversion of the government process is being done on a conscious basis by his department, by the member for Torngat Mountains, and even by the staff of the member for Torngat?

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

MR. MATTHEWS:  
Mr. Speaker, if there is one member of this House of Assembly who should not stand up and talk about shame it is that hon. member right there.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
It is obvious, Mr. Speaker, that he does not have any shame, because I do not know how he can come into this House of Assembly with some of the stands that we have seen in this session on matters that of great importance to this Province, particularly Labrador whose residents he is supposed to represent, Mr. Speaker. He is against economic development and job creation in Labrador. That is obvious. It seems now that he does not even want the students at Memorial University to get jobs.

Mr. Speaker, all I can say to him about this Job Creation Programme is if we do not create jobs, the hon. member gets up and says we should be ashamed. Well, we went out and created 225 additional jobs in provincial parks alone, and there have been thousands of jobs created through our public Job Creation Programme through the private sector, and no, Mr. Speaker, I am not ashamed at all. I am proud of the programme that we have initiated.

SOME HON. MEMBERS:  
Hear, hear!

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

MR. SIMMONS:  
Mr. Speaker, I had intended putting a question to the Premier. In his absence, let me put the question to the Government House Leader, the Minister of Energy (Mr. Ottenheimer).

Can the minister indicate whether he anticipates there is going to be some increased offshore drilling activity this year in the Newfoundland offshore, and if so,

can he give us the details of that exploration this Summer?

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, there will be two rigs and two wells will be drilled for Petro-Canada. That is in connection with the Terra Nova field. Of course, that was interrupted some time ago when there was a fire. I understand that that rig will be back drilling very, very soon. Also Husky-Bow Valley, will be drilling two wells, and there is a possibility of another.

So there are four drilling operations definite and the possibility of a fifth during this Summer - Fall season.

MR. SIMMONS:

Mr. Speaker, a supplementary.

MR. SPEAKER:

The hon. the Leader of the Opposition, a supplementary.

MR. SIMMONS:

Mr. Speaker, what the minister has just said, of course, is good information but not new information in the sense that it has long since been known publicly to be the case. In addition to that, is the minister aware of any intention on the part of the federal Minister of Energy, Marcel Masse, to come soon to make some announcements, I would allege, as a means of shoring up the sagging fortunes of the Tory candidate in St. John's East federal, but that aside, is he aware of the intention of Marcel Masse to come into town soon for the purpose of announcing some additional, heretofore unannounced drilling

activity?

MR. OTTENHEIMER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, just as an aside, and it obviously arises from the aside of the hon. the Leader of the Opposition, of course Mr. T.V. Hickey, well-known to all of us here, is I understand running a vigorous and dynamic campaign and the odds are on him, almost to the same extent of Mrs. Thatcher. But that was something of an aside.

Actually, the Minister of Energy is in St. John's now. As a matter of fact, I sat next to him during lunch. He was here and I spent an hour or so with him before lunch. He was here at the invitation of the Newfoundland Ocean Industries Offshore '87 Exhibition. He was the guest speaker there and gave an overview, I suppose that would be the best way of describing it, of the energy policy of the Government of Canada, and also with respect to the situation of frontier oil in Newfoundland, and he spoke on some other matters as well, and I think that is what the hon. gentleman is referring to. He is here now, he is leaving later today. He did not make any spectacular announcement. And I am quite sure his visit here really had nothing to do with the by-election because he was invited as guest speaker for this Offshore '87 Exhibition some time ago, but I do not know when.

MR. SIMMONS:

A supplementary, Mr. Speaker.

MR. SPEAKER:



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

MR. SIMMONS:

Again as an aside, I agree with the minister that T.V. Hickey's odds are so good he has been referred to these days as 'Shannie Hickey'.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

Mr. Speaker, can the minister put to bed another wild rumour, that Petro-Can has an option on a floating platform in relation to the Terra Nova field? Is he aware of that option to engage the services of the platform? Is he aware of that? Can he indicate whether some development -

MR. MORGAN:

How is 'Steve Murphy' doing?

MR. SPEAKER:

Order, please!

MR. SIMMONS:

- on the Terra Nova field is imminent, in addition to the announcement made last Spring by Petro-Can?

MR. OTTENHEIMER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, obviously if Petro-Canada is going ahead with, number one, the exploratory work, and I have no doubt they are also looking at various means of production. Indeed, at the offshore conference a lot of the attention and a lot of the papers delivered dealt with the area of

floating platform technology as related to smaller fields, smaller in comparison with Hibernia, fields, let us say, like Terra Nova. But, I mean, there is nothing they can do except continue their exploratory work and their planning, and examine and make corporate decisions with respect to the development technology and the different kinds of platforms available and their costs and their relative feasibility. Before it goes ahead, obviously, they have to put forward to the Canada-Newfoundland Offshore Development Board a development plan. So there is nothing spectacular to be done prior to that. I am not sure if I am missing some point in the hon. gentleman's question, but before there is any development, obviously the plan has to be, number one, finalized and done up, and then submitted to the board and then approved by the board, and the two orders of government would have, naturally, their input there also.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Mount Scio.

MR. BARRY:

I would like to ask the Government House Leader, the Minister of Energy, is he aware of the fact that there have been 25 people laid off by Mobil over the last seven months, over 100 employees laid off in this Province by Mobil in the last year, and that Mobil Oil is operating right now with a skeleton crew out of its Newfoundland office?

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, the latest figures that I had with respect to people working at Mobil Office here, and they would have been about ten days or so ago, was that there were 47 people working here now, out of any number of figures because it is changed over the past few years.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Mount Scio.

MR. BARRY:

Mr. Speaker, the average figure, I think the minister would confirm, would be around 200 employees over the last several years, and that has gone down from 200 down to less than fifty to forty-seven. I accept that figure if the minister says so.

Is the minister aware that Mobil Oil has also been selling off at rock-bottom, bargain-basement prices equipment which they have had stored in Newfoundland which would be essential for any further drilling carried out by that company? For example, blowout preventers, I am informed - is the minister aware? - have been sold for something like 25 per cent of their value?

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, I am not aware specifically of the inventory of Mobil or what they might be selling or not selling. I think it is generally recognized that a great deal of equipment in this offshore area is purchasable now at costs much less than some time

ago, I suppose certainly connected with the fact that exploratory activity in Newfoundland, and in general throughout the industry, is much less than it was some years ago. That, of course, is related to a number of factors, including, obviously, the price of oil. There is no doubt about that, that that is a general trend.

MR. BARRY:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Mount Scio - Bell Island.

MR. BARRY:

Mr. Speaker, I would ask the minister: Would he admit and agree that he completely evaded answering the question? The fact that Mobil might be able to buy equipment at bargain-basement prices has nothing to do with the fact that they are selling equipment which they need if they plan to drill. Would the minister agree that if Mobil Oil is selling off blowout preventers, if Mobil Oil is selling off casing which would be required for future wells drilled, that this would indicate something negative in terms of their expectation with respect to any early work in seeing the development of Hibernia?

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

Mr. Speaker, I would not agree with that inference whatsoever. I mean, Mobil buys things, Mobil sells things. They do phone my office or anybody else's office to say today or next week we are planning to buy this and this, and this and then we are going to sell

this and this and this. I mean, they do not inform me. I do not particularly need to be informed on that. They buy what they need. If they have something they do not need they sell it, and maybe they sell it because they want to replace it with something better, something newer, something more relevant. Whether it is blowout preventers or any number of other things, anymore than if they buy a new suite of offices or a new safe for the President's office or a new car or whatever it is, I do not have an inventory of what Mobil buys and what Mobil sells. That is their own corporate business.

With respect to any linkage of that, I mean, the companies have not yet informed both governments what their position is with respect to the joint federal - provincial offer made to them in March. We expect that there will be a meeting in late June or early July when we will have that information. I am quite sure that whoever is in charge of selling or buying a piece of equipment hither and thither is not doing it on the basis of a decision which probably has not been totally finalized yet by the entire group, because there is Mobil and the others, and they presumably have to get a kind of consensus, too. So I do not draw any inferences from the fact that a piece of equipment has been sold or, indeed, if a piece of equipment has been bought. I do not draw any inferences with respect to the federal - provincial offer and the companies reaction to it.

MR. SPEAKER:  
Order, please!

The time for Oral Questions has elapsed.

o o o

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

MR. SPEAKER:  
A point of order, the hon. the member for Burgeo - Bay d'Espoir.

MR. GILBERT:  
Mr. Speaker, I did not want to interrupt Question Period. During Question Period the Minister of Culture, Recreation and Youth referred to a phone call that I had from an official of his department. I would like to clarify that. I certainly did, and instead of getting involved in political patronage - there was lots of people in Burgeo, good Liberals, I could have phoned - the way I handled the situation was I phoned the Department of Social Services in Burgeo and they recommended a person who was hired by the minister's department. I would suggest an idea, Sir: The way to get around the problem would be to use Manpower.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
To that Point of order, Mr. Speaker.

MR. SPEAKER:  
Order, please!

There is no point of order.

MR. MATTHEWS:  
I think I should be able to respond, Mr. Speaker.

A point of order, Mr. Speaker.

MR. SPEAKER:  
A point of order, the hon. the Minister of Culture, Recreation

and Youth.

MR. MATTHEWS:

On a point of order, Mr. Speaker, to react to what the hon. gentleman said. The reference to him in Question Period was certainly not meant to be a negative remark in any way, it was just to clarify that in some cases we do consult and we appreciated what he did for us. Not that it was political at all.

MR. SPEAKER:

Order, please!

That was a direct reference to a point I had already ruled on and there was no point of order. There is no point of order now.

Presenting Reports by  
Standing and Special Committees

MR. OTTENHEIMER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Government House Leader.

MR. OTTENHEIMER:

I am very pleased to table the annual report of the Canada/Newfoundland Offshore Petroleum Board. It is being tabled, of course, in this Legislature and in the House of Commons today. This is, as hon. members are aware, a federal/provincial board and this is the first report. Hon. members will notice, as well, that it is in both French and English. Being a federal/provincial board, that is, I think we would all agree, quite appropriate. I cannot hesitate or pass the opportunity of pointing out that there is even in there a small picture of the

hon. Marcel Masse and also of the hon. myself.

SOME HON. MEMBERS:

Hear, hear!

DR. COLLINS:

In French or English?

MR. OTTENHEIMER:

I would point out, as well, to hon. members that the Chairman of the Canada/Newfoundland Offshore Petroleum Board, Mr. Ted Baugh, is in the gallery; he wanted to make sure that I tabled it correctly.

SOME HON. MEMBERS:

Hear, hear!

Orders of the Day

MR. OTTENHEIMER:

Order 13.

Motion, second reading of a bill, "An Act Respecting An Increase In Pensions". (Bill No. 28).

DR. COLLINS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, this is a pension matter. Possibly I should point out that there is another pension matter also on the Order Paper which will deal with a matter that has caused some comment recently, but this particular bill is not that bill. This is a bill that arises out of announcements in the budget and it deals with an increase in pensions. We have brought in ad hoc increases in pensions a number of times in this House. Our pension plans are not indexed, and I think for very good

reasons, but we have brought in increases a number of times and this is one such occasion.

The pensioners will be the Public Service, will be the teachers, will be those on ex gratia awards, MHAs, for instance, uniformed services, and so on. As we have done a number of times in the past, the increases are structured so that those longest on pension, up to a certain point in time, will get greater increases than those who became recent pensioners.

The reason for that, of course, I am sure hon. members are aware, is that a number of years ago, when salaries were quite small compared to present day salaries, the pension benefits were similarly small. The average increase to the fund will be about 4.5 per cent, and the total amount will approximate an extra \$2 million going to pensioners.

There will be at least a 3 per cent increase for all pensioners, and, as I mentioned, there will be additional amounts so that the maximum will be a 10 per cent increase for pensioners who get the maximum increase. There is also a floor to the pension increase, a floor of \$240 per year.

I think, Mr. Speaker, this is all I really need say on it, although there well may be questions arise, probably on a broader aspect of pensions not specifically on this, because it is a fairly simple bill and I so move second reading.

MR. LUSH:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the member for Bonavista North.

MR. LUSH:  
Mr. Speaker, any increases to pensioners, particularly by this particular government, we will support. I hope the minister does not find some way to take away the increase, in the way that they have dealt with the Canada Pension Plan. Anyway, that is a different story and we will deal with that at a later date. Suffice it to say that we certainly welcome these increases to pensioners, people who, over the last number of years, through loss of income and through erosion of the dollar, through inflation and the cost of living, certainly, Mr. Speaker, can take the increase that the minister has given them today and more besides.

I would like to have seen a more uniform and a more consistent increase over the years. It is unfortunate that we see many of those pensioners not getting the increase that was given to members of the Public Service, workers in the employ of the government, who I think mostly got a 6 per cent increase. If I have any criticism of this bill it is that I would like to see no pensioner receiving less than that amount, no less than 6 per cent, which was the wage settlement given most government employees.

The minister talks about pensioners who retired recently. We are looking here at 1977, which is ten years ago, and that is hardly very recent. There has certainly been a tremendous escalation in the cost of living since that time and a tremendous erosion in the dollar to pensioners, and I would have to say that that is pittance for that group of people who retired in 1977, to be getting a 3 per cent increase, then in 1976 a 4 per

cent increase, and 1975, which takes us back to twelve years ago, getting a 5 per cent increase.

Mr. Speaker, if there is any criticism that I would level at the government it is that I believe that no group of pensioners should have received less than 6 per cent, the rate of increase that was given all unionized public service employees. I certainly would like to have seen that increase for these particular people, in other words, no one receiving less than 6 per cent.

That certainly is something that the government should keep in mind in giving increases to pensioners. I certainly do not disagree with the 10 per cent, and I am sure that we could advocate that it would be more, the 10 per cent to those people who retired in 1971, and prior to that date 10 per cent.

I would only wish that every year we could see a consistent and uniform increase to our pensioners, Mr. Speaker, who, over the last several years in particular, have seen their dollar eroded and, with the high cost of living, many pensioners find it very, very difficult to make it on the monies that they have, particularly, as the minister alluded to, those people who retired back fifteen or twenty years ago when they were working with very, very low salaries. So we certainly do not disagree with that 10 per cent and only wish that it could have been a little more. But suffice it to say, I would hope that in the future we could somehow bring in regular increases to pensions and certainly make it at the level that all public service employees

receive.

Now, Mr. Speaker, I realize that the minister said he was going to deal with the Canada Pension Plan in another bill. I just hope that we get a chance to get at that bill so the minister can explain what went on in this particular situation. We have a situation, as far as I understand, that is not happening anywhere else in Canada. We have a reduction in the provincial pension when a person retires early, especially somewhere between the age of sixty and sixty-five.

I heard the minister make some comments last night. He did not impress me. He did not convince me that the reasons why he was doing this were valid reasons. He talked about the fact that we pay a lower rate to our pensions than anyone else in the country. That still does not account for a person being robbed of what is fully their benefit on a provincial pension when they receive a Canada pension. There is no reason for that, Mr. Speaker.

The minister can stand up in this House and he can go on the public airwaves until he is blue in the face and he will not convince the pensioners of this Province that he is doing the right thing, that he has done the right thing or that there is any substantive reason for it, other than, Mr. Speaker, to take money away from the pensioners, money that they deserve.

So I hope the minister will not present that bill. I hope that he will throw that bill away. I hope that that bill will remain on the Order Paper. Is that the word, 'remain' on the Order Paper, and that it will be just done away

with?

MR. BARRY:

Die on the Order Paper.

MR. LUSH:

Die on the Order Paper, Mr. Speaker, because it is not a bill that is beneficial to the pensioners of this Province.

DR. COLLINS:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, it is really not my intention in any way to inhibit the member's comments, but I really do have to point out that it is improper, incorrect, and not parliamentary to comment on another bill that is on the Order Paper when you are discussing a separate bill. Now, Mr. Speaker, that is not just a quibble, that is an important point, because clearly in this House we debate, we put forward a view and the other side will put forward another view. It is improper for one side to be able to put forward a view without the opposite side having a similar opportunity. I cannot do it because I would be out of order if I commented on this other bill.

The member is referring to Bill 40, whatever order it is on the Order Paper. It will come up for debate. The hon. member is quite improper in taking to himself the ability or the opportunity to comment on that bill, and being out of order in doing so, and I cannot comment back because I then would be out of order. So I think

it is for a very good reason that Beauchesne and parliamentary practice and, indeed, our own orders, I believe, say that if there is a bill on the Order Paper, that is not to be commented on when a separate bill is under discussion.

MR. SIMMONS:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. SIMMONS:

The minister can try very hard but he is not going to get away with that one. Mr. Speaker, he knows full well that when he introduced the bill on Second Reading, he had all the latitude he wanted as long as he confines himself to the issue of pensions. Instead of that, he chose to treat the matter flippantly and inside of two minutes he had exhausted what he wanted to say about it. That is his privilege.

My friend for Bonavista North (Mr. Lush) is now addressing an issue, Mr. Speaker, which surely bears on the subject in the very title of the bill, 'An Increase In Pensions'. My friend and colleague for Bonavista North is bringing to the attention of the House a matter which has the effect of minimizing the purported increases as provided for in this bill.

So, Mr. Speaker, while I agree with the Minister of Finance (Dr. Collins) in the sense that it touches on a subject which is also the subject of another bill, I ask you, Sir, how it is possible in this Chamber when you have a number of pieces of legislation

before you, many on related subjects, how it is possible sometimes to address the one subject without touching on, inadvertently, the subject matter of another piece of legislation. So I submit to you that my friend for Bonavista North is quite in order and should be allowed to continue without interruption.

DR. COLLINS:  
Mr. Speaker.

DR. COLLINS:  
The hon. the Minister of Finance.

DR. COLLINS:  
I do not know if the hon. the Leader of the Opposition misunderstood me. I have no problem whatever if the hon. member is just touching on another matter. We can all field that type of thing. But if he is going to get into a substantive discussion of the matter in Bill 40, he is clearly out of order.

In Beauchesne, Section 340, this comes under what is called The Rule Of Anticipation. I will not read the whole thing but, for instance, it says here "The rule of anticipation, a rule which forbids discussion of a matter standing on the Order Paper from being forestalled, is dependent upon the same principle as that which forbids the same question from being raised twice within the same session."

It says further down, "In determining whether a discussion is out of order on the grounds of anticipation, the Speaker must have regard to the probability of the matter anticipated being brought before the House within a reasonable period of time."

It is clear that Bill 40 will be

up for discussion. It is obviously not in order to go into this in any substantive way. There is no problem with just an allusion to it or a reference to it or whatever, but to get into substantive debate on Bill 40 would be out of order and, as I say, it would be unfair because I could not then comment back, which normally would be my right, without breaking the rules of this House, and I certainly would not do it even with leave from the hon. member opposite.

MR. SIMMONS:  
Further to that point of order, Mr. Speaker.

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

MR. SIMMONS:  
Mr. Speaker, the Explanatory Note on Bill 28 is very specific. It says, "This Bill would provide for an increase of certain pensions."

Mr. Speaker, I do not know how the minister can suggest that my friend for Bonavista North cannot talk about decreases, surely. My friend for Bonavista North has not mentioned Bill 40. I give you the undertaking now, Mr. Speaker, he will not mention Bill 40. But surely he ought to be able to canvas because we are talking at the principle stage of the bill, he ought to be able to canvas the issues relating to increases and, by implication, decreases in pensions.

MR. SPEAKER:  
To the point of order raised by the hon. the Minister of Finance, the hon. member for Bonavista North did refer to a bill that has not been debated in the House



yet. I would ask him to be more relevant in the bill that we are debating today.

The hon. the member for Bonavista North.

MR. LUSH:

Thank you, Mr. Speaker. I was commending the government on its increase to these pensioners in this particular bill, and was making the point that I was hoping that the government was not looking for a way to try and take away the increase that they had given them as they done with certain pensioners, Mr. Speaker. They have been doing it for some time with changes in the Canada Pension Plan which now entitle a person to retire early at age sixty. It was the intention of the Canada Pension Plan to be advantageous to a person who wanted to retire at age sixty. But, Mr. Speaker, what happened?

In this Province and this Province alone, when a person reaches the age of sixty and applies for their pension which they are entitled to receive, the Province puts in a reduction factor and reduces that person's pension. The sad part about this, Mr. Speaker, is that that reduction stays in place for the lifetime of the pensioner. It is my understanding that the federal government does not like it. They are not pleased with it.

I understand that Mr. Epp has written the minister and indicated to him that he does not want the pensioners punished in this Province because of benefits they receive from the Canada Pension and that is exactly what is happening. Mr. Epp has written the minister telling him precisely that. He believes that all

pensioners should receive the full benefit of their pension plus the full benefits of the Canada Pension Plan. Mr. Speaker, that is not happening in this Province.

I am just wondering now whether this is not a mechanism that the minister has found to pay the increases of those pensioners here. I am just wondering if that is not a mechanism he has found to pay for the increases in these pensions here by using the Canada Pension Plan to the advantage of this Province. That is the key, Mr. Speaker, that the provincial government, the government of this Province, is using the benefits of the Canada Pension Plan to the advantage of the Province and not to the advantage of pensioners. That is what is happening and it should stop.

They should follow the advice given by Mr. Epp. Mr. Epp has given the minister good advice. He has given him two good suggestions, as I recall. He said first of all the Minister of Finance (Dr. Collins) can do this: When a person retires at age 60, or somewhere between age 60 and 65, the Province can forget, dismiss altogether that they are receiving Canada Pension. In other words, they receive the full entitlement of their provincial benefits and the entitlement which they receive from Canada Pension. He can do that. Or, he can bring in a reduction factor but spread it over a longer period so that the pensioner would not feel the effect of it so badly and it would be a more palatable thing to do, but it looks like the minister is not going to do either.

It would be my suggestion and my choice that they take the first

suggestion by the minister and that they forget all together, that they ignore the fact that they are receiving Canada Pension because that is the purpose of Canada Pension. Canada Pension is to enhance and make the economic situation of the pensioner better, not to take anything away and not to put them in a worse off situation. It is the intention of the federal government that a person receiving Canada Pension receive the full benefits and not have the pensioner lose any benefits through his provincial pension because he or she happens to be receiving a Canada Pension. That is the crux of the matter, Mr. Speaker.

I wonder how many of those people to whom the minister is going to give increases today are going to be affected by that. I wonder how many of these are early retirees. I expect there are a number of them. Mr. Speaker, I would suggest that along with this increase today that the minister is going to give pensioners, and I do not see anybody objecting to it, we might suggest, as I have, that they should be given more particularly, I hope, he takes to heart and heeds my suggestion that in the future we not give pensioners any lower increase than what has not been given to the public service. If that is a 6 per cent, then that is what they should receive. Nobody should receive lower than that. Also, in addition to looking at trying to make the increases compatible and in harmony with the increases in the public service, in addition to looking at that, I would hope that the minister would look at what he is now doing in terms of using the Canada Pension Plan to the benefit of the Province. The minister cannot deny that. That is what

this Province is doing, using the Canada Pension Plan to the benefit of this Province.

Mr. Speaker, there is no doubt about it that he needs to do it because a lot of our pension plans are underfunded. It is only in the past couple of years that we began to put our house in order with respect to taking care of these pension plans in a proper way. But the minister cannot penalize pensioners because only recently the government adopted funded pensions. He cannot do that. The minister cannot, for this government's carelessness, for this government's neglect in setting up funded pensions, now proceed to penalize pensioners because for years and years and years there was no funded pension and the pensions just went into the general revenues of this Province. That is the reason, Mr. Speaker. That is what has got us in trouble with respect to the pension fund. For years and years, there was no funded pension.

I know the minister is in trouble. I know the government is in trouble. I know they are. But let us not, on the backs of the pensioners of this Province, try and replenish that pension fund. Let us not do it for those people who made their contributions. You cannot do that.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

The minister should look at this, look at it long and hard, Mr. Speaker.

So we commend him today for this increase to pensions, but we cannot commend him for what he has done with the Canada Pension over

the past number of years and what he plans to make legal now. That is not the right word. It is not to make it legal. Just by allusion, Mr. Speaker, I will say this, that Bill 40 will make a better situation out of what existed before that. It will do that, but in no event should pensioners be punished for the neglect and carelessness of the government in not having its pension funds set up in a proper systematic way, in a funded system, and now proceed, because our pensions are in trouble, to penalize our pensioners by using the reduction formula.

I ask the minister when he speaks to this, very seriously, what is the rationale, what is the justification, for bringing in this reduction factor to early retirees when it is not done anywhere else in Canada?

let me ask the minister this, because it is usually the government which sets the example for the private sector. Is the minister not worried that now with private pensions they will set out to do the same thing, that they will set out to have the reduction factor in the pensions to people in the private sector? There is nothing to stop them. The Province did it, Mr. Speaker. This has severe ramifications for pensioners in this Province, this step that the government has been following over the past number of years. It has gotten tremendous ramifications for all pensioners in this Province, both in the past and in the future.

Mr. Speaker, it is incumbent on every member to look at what is happening. I would venture to say, Mr. Speaker, that there is not one person on the other side,

other than the minister himself, who knows what is happening, not one.

MR. SIMMS:

A point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. SIMMS:

Mr. Speaker, just for clarity's sake, if for nothing else. The hon. member, I understand and gather from his debate, is talking about a reduction in pension for certain groups and individuals. That clearly, as the Minister of Finance stated a few moments ago, is the content of Bill 40 which is a bill that is to come up a little later on. The content and intent of Bill 28 is to provide for increases in pensions, as I understand it.

I am not sure if the hon. member is aware of that or very clear about it, because obviously the speech he is making now would be more applicable to Bill 40, and he is only going to have to get up when Bill 40 comes and give it all over again. Rather than have to go through that, I thought it might be appropriate to remind him of it so he can save some of the eloquence for that particular debate.

MR. TULK:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. TULK:

Just very briefly, the hon. gentleman, being a former Speaker

of the House, should know that what he is really talking about is whether the hon. gentleman from Bonavista North (Mr. Lush) is relevant or not. In this particular case I would suggest to Your Honour that he is and he should know that he is.

AN HON. MEMBER:  
(Inaudible).

MR. TULK:  
If the hon. gentleman wants to get up and say something in a few minutes, he can.

Mr. Speaker, what I would say to the hon. gentleman is that the member for Bonavista North, while he is on the one hand talking about an increase in pensions, he is also talking about, in the form of a juxtaposition, the decrease that is taking place as a result of certain actions of the minister. Therefore, he is pointing out that while the minister is giving on the one hand, he is taking with the other. I would suggest to Your Honour that what he is saying is perfectly relevant.

MR. SPEAKER:  
To that point of order, there is no point of order.

The hon. the member for Bonavista North.

MR. LUSH:  
Mr. Speaker, thank you, thank you indeed.

I would assume that if a member of this House is talking about pensions and if the legislation or the bill before the House is about increases, by its very nature a member should be able to talk about decreases and should be able to warn the government of any

decreases that may take place.

I realize that the minister might not want to hear what I have to say about the decreases in pensions, I realize that. The minister would like for that to slip through so that pensioners in this Province would not know what is happening. I know the minister would like for that to happen but, Mr. Speaker, we cannot let that happen because I do not know, maybe the minister himself is not fully aware of the impact of this reduction factor as a result of changes in the Canada Pension Plan, but he should be. I am told whether it was the minister or whether it was his officials when they were discussing this matter in Ottawa with their counterparts and the Newfoundland position was advanced of what they were going to do with pensions in this Province or what they had been doing, I am told that his counterparts were flabbergasted. It is a measure or a step that surprised them, Mr. Speaker.

So, Mr. Speaker, I am waiting for the minister, when he rises in his place, and I can assure the minister I will not get up on any points of order, when the minister gets in his place to explain why it is that this Province finds it necessary to take that extreme measure, that measure whereby people who have given their lives, who have worked in the public service, who have worked in the service of the government all their lives practically, paying in pensions, expecting to get the full benefits of those pensions and particularly, Mr. Speaker, when the changes were made in the Canada Pension and when all of the benefits of that pension were explained to the people and how that was going to better their

economic lot in life, and when a lot of them then decided to take early retirement and found out what the Province was doing, it was heartbreaking, Mr. Speaker, it was heartbreaking to many of those pensioners.

Of course the other thing, what is happening now, this measure taken by the minister - I wonder if the minister is aware of this - I have run into dozens of people who planned to take an early retirement but now, figuring they were going to get the benefit of both their provincial pension and the Canada Pension, now they are not retiring. As a matter of fact, specifically in the Department of Highways, in the Bonavista North - Lumsden area, I know of seven or eight people who were going to take early retirement this year and when they found out what was happening to their pension, they decided that they could not afford to do it. They could not afford to have these exorbitant and horrendous cuts in their pension and they decided to stay on because, Mr. Speaker, it is for a lifetime. The reduction stays in place.

To make it very simple, if Your Honour were to take an early retirement today and it was determined by the salary and by the different formula that they used, if it were calculated that Your Honour was going to lose \$150 a month on the reduction factor, he would lose that for a lifetime, for as long as he lived, whether he lived to be 80, 85, 90 or 100, or over. So Your Honour can imagine how many dollars people are going to lose because of this severe act, as I call it, by the provincial government.

Well, Mr. Speaker, I see the

minister is very serious. I hope I have convinced him to take a second look at it or either that, Mr. Speaker, to explain something to us that we do not know that makes it necessary.

The minister again talks about the fact that our pensions are integrated. Are there not other provinces in the same circumstances with integrated pensions? Are they not?

AN HON. MEMBER:

Yes.

MR. LUSH:

Yes. So I think I have given the minister, Mr. Speaker, some considerable points with which to deal when he rises.

I want to say in conclusion that we certainly will approve and go along with any increases to pensioners in this Province. I just make the point that I would like to see no pensioner in this Province receiving less than 6 per cent because that was the sort of wage settlement, the rate that was settled on within the Public Service and I would like to see that applied to pensions as well, Mr. Speaker. I would like to see them indexed but that obviously has to wait for another time and another administration and other matters that we have to look into with pensions.

But, Mr. Speaker, having made these few remarks and with these few reservations, we do support Bill 28.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

**MR. FENWICK:**

Mr. Speaker, it is a privilege to get up and speak on a pensions matter, on a bill that is increasing pensions instead of modifying them or decreasing them and so on. Actually, in my twenty minutes or so, I would like to go into a few details because the Minister of Finance has been giving us some arguments about what they have done, the unconscionable thing of reducing the pensions of early pensioners who take their Canada Pension Plan prior to the age of sixty-five.

I had the opportunity yesterday when I was preparing for this debate to talk to the pensions people in the minister's department. I got a few numbers out because I think it is important for us to realize that there is an impact on these things. Here we have a piece of legislation that will increase the pensions for all our pensioners. What I did was I went and checked with the pensions office. They tell me there are about 6,000 pensioners in the Province who will be receiving benefits from this particular piece of legislation. We are not sure of the breakdown on it. I asked the department but unfortunately I do not think they have all their records computerized so they cannot give you the information quickly. It is my understanding that about 4,000 of them are covered by the Public Service Pension Plan and about 2,000 by the Teachers Pension Plan. If the minister has better numbers than that, I suggest he throw them into the debate when he concludes it. But I thought I would mention that because it is important to realize we are talking about thousands of real people.

The other thing that should be brought to mind is that the Public Service Pension Plan currently has 24,000 public employees contributing to it under various boards, agencies, government departments and so on. Mr. Speaker, that is 24,000 people, plus the 4,000 pensioners in the Public Service Pension Plan and the approximately 1,000 covered by the Uniform Services Pension Plan. I am not sure of the exact number, but when you add up the Constabulary, the fire department in St. John's and the warders bargaining unit, you would perhaps get close to 1,000 individuals.

Mr. Speaker, we are talking about approximately 30,000 people here who are affected by the Public Service Pension Plan, the Uniform Services Pension Plan, and by the fiddling, if you want to use that term, the fiddling that has been done by our Minister of Finance since the first of the year, completely contrary, of course, to the Minister of National Health and Welfare's instructions to him that this is an unconscionable thing to do. But we are talking about 30,000 people, so I think that it is important for the Minister of Finance to realize that it is 4,000 people right now who are on pensions that could be affected.

We tried to figure out how many were between the ages of sixty and sixty-five. Again, that information is not available, but by a conservative guess, small 'c' here, we estimate maybe 1,000 pensioners have been affected by the minister's arbitrary decision to interpret the legislation one way and to do something completely different from the other provinces to take away this money from his pensioners.

Now, if Jim Cooper, who was on television last night and whose example I am going to use as a base model is any example, he worked, I think, thirty-five years for the Department of Transportation. His pension has been reduced by \$1600. If there are 1,000 pensioners affected between the ages of sixty and sixty-five, and \$1,000 to \$1,500 to \$2,000 is the appropriate amount, that means that the minister is taking from his pensioners between \$1 million and \$2 million in money of people who are generally under the poverty line.

Here we have Jim Cooper. He gets a pension after thirty-five years with this government of \$8,000. Now, to tell you the truth, I find that pretty shameful to start with. A man who worked thirty-five years for us, the people of this Province, and is receiving only \$8,000 in pension.

DR. COLLINS:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the Minister of Finance.

MR. FENWICK:

I thought that would bring the minister to his feet.

DR. COLLINS:

Mr. Speaker, I rise on a somewhat similar point of order to the point of order I rose on previously. I do it in regard to this particular hon. member, too, for a specific reason, and that is that ever since this pension matter came up, the hon. member has deliberately, and I would say with foreknowledge, because I have

given him all the information, misrepresented the facts. I counted up about six incorrect statements he made in the few minutes he was speaking. Now, the hon. member is deliberately misrepresenting the situation, and that is causing some concern to pensioners.

This is why I rise on this point of order, to hopefully have him ruled out of order in that he is speaking to the wrong bill. He is not speaking to Bill 28, he is speaking to the substance in Bill 40. Now, in a way, I do not care what he speaks to, but I do care that he has been deliberately misrepresenting the facts for at least the past month, and this in the face of my giving him information time and time and time again as to the true matter. He misrepresented the facts to the extent, on one occasion, where he said we were acting illegally according to the act, and I showed in this House at the time two statements, one a public release, where he said the government was acting illegally or contrary to a Statute, and in the other one he said they were acting legally although he did not agree with it.

Now, he has been misrepresenting the facts to the extent that he has even caught himself out by telling in a press release that NIS would not to send out - NIS refused to send it out so he sent it out himself, and that press release had a falsehood in it. It had an absolute falsehood in it. That is typical of what the hon. member has been saying about the pension issue for the last month or so, despite having knowledge to the contrary. Clearly he is doing it to stir up misapprehension, anxiety, and frustration that should not be stirred up because

of his misrepresentation and distortion of the facts. So that is why I rise, to request that he be called contrary to the anticipatory rule in Beauchesne, in discussing the substance of Bill 40 when we are on Bill 28.

MR. FENWICK:  
To that point of order, Mr. Speaker.

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

MR. FENWICK:  
I think you are going to have to ask the minister to take back some of his comments. If I recall correctly, he used a number of unparliamentary expressions, including 'deliberately misrepresenting' and 'these are falsehoods', and so on.

But to the substance of the point of order, it is clearly a difference of opinion. The fact of the matter is, there are illegal things being done by this department. I do not think it is appropriate at this time to raise those issues. It is certainly not a point of order, and, Mr. Speaker, I would prefer you to rule so I can get on with my debate.

MR. SPEAKER:  
Order, please!

The Chair will decide if it is a point of order or not. There is a point of order, and I would ask the member for Menihek to be more relevant, to stick with the substance of Bill 28 and not Bill 40.

The hon. the member for Menihek.

MR. LONG:

You are not talking about Bill 40, you are talking about what is happening to people.

MR. FENWICK:  
The fact is, Mr. Speaker, what I am addressing right now - and I am speaking in debate. Never mind the point of order, I do not mind if it goes - is we have an instance here where we have a schedule of percentage increases. It is clearly a money bill in the sense that this will cost the government more money as it goes along. What I am doing is entering into the record the actual circumstances in terms of the number of pensioners who are receiving a pension to give some idea of how much money this costs. I think that is directly relevant to it. Since that is what I was leading up to, I will continue on in that vein and I am sure the Speaker will find this entirely relevant.

So what do we have here? Well, we have increases ranging from 3 per cent, for individuals who have retired in the last decade, to up to 10 per cent for those retiring before 1970. Clearly the ones retiring before 1970 were on a very low salary scale, because, if you will recall, the salaries being paid back in those days were averaging around \$2,000 or \$1,500 a year for public employees and clearly they need help.

But getting back to the last decade, where I would suggest the majority of our public employees have retired, they are receiving a 3 per cent increase in their pension. Well, Mr. Speaker, what does that mean? What is 3 per cent? Let us take Jim Cooper. Jim Cooper retired just this year at the age of sixty-two. He has a provincial pension of \$8,000



Well, 3 per cent, in my opinion, comes out to \$240. Now he will be receiving a pension of \$8,240. But, unfortunately, Jim Cooper was foolish enough, I guess, to apply for his Canada Pension Plan, which he was eligible for this year, at age sixty-two, and he has lost \$1,600 on it.

So what do we have here? We have \$240 increase in his pension, and then what we have is \$1,600 reduction. Now, my math is not fantastic, but that sounds to me like he has lost \$1,200 that he had at the beginning of this year, before he got into all these machinations. As a matter of fact, Mr. Speaker, if there are 6,000 pensioners and they average \$200 or \$300 -

DR. COLLINS:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, the hon. member has just brought in a distortion of the facts. I do not know where he gets his calculations from, but we are not taking \$1,200 away from that gentleman the hon. gentleman mentioned, \$1,200 from his pension receipts before January 1. I think he said the pension receipts were \$8,000, or whatever it was, and he is saying that now we are taking \$1,200 away, meaning that he is getting \$6,800 or so. That is a distortion of the facts. He is not getting \$6,800, if the basic facts were correct. If he is getting anything, and I do not know what he is getting, he is getting at least the \$8,000 he got before the beginning of January,

and when this goes through, he will get something-plus on that \$8,000 as a result of this bill. And if he did apply CPP, he gets something plus again on that. So the hon. member is distorting the facts, he is misleading the House, and what is even more important, he is misleading the pensioners of this Province with his foolish and confusing remarks to the pensioners of this Province, who, in the circumstances they are, should not be subjected to such deliberate confusion.

MR. FENWICK:

Mr. Speaker, I am not even going to respond to the point of order, it is clearly not one.

MR. SPEAKER:

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

The hon. the member for Menihek.

MR. FENWICK:

Thank you very much, Mr. Speaker.

You know, whenever you making telling points in this House, the people who are being embarrassed totally, which obviously the Minister of Finance is, have to continually get up on spurious points of order and say that the facts are wrong. If he thinks the facts are wrong, then let him produce the facts, let him table the numbers on this particular case. I am giving you the numbers that I saw on television last night, when the article was done on this individual. Now, if he feels those numbers are wrong, let him come out and correct them. The fact of the matter is, from this provincial government this individual is receiving a pension and even after he gets his raise, this 3 per cent raise, which is a

real whoppy-do raise, he is still going to be \$1,200 poorer 'off than he was prior to these several changes in the pension legislation, and that is clearly a point.

DR. COLLINS:

That is wrong. That is wrong.

MR. FENWICK:

I want to enter a few more points into the record here specifically germane to Bill 28. I have never seen the Minister of Finance so flustered.

It is clear that he has his hand in the back pockets of every pensioner in this Province. He is clearly embarrassed by it. He knows it is a losing issue, because there are 30,000 people being affected and, I would suggest to him, that this particular piece of legislation and this particular work will do more to damage him and his government in this town and across the Province than any other action he has taken. He clearly sees the fact that we are highlighting it is destroying his credibility as anything other than an ogre, or the grinch who stole Christmas.

MR. J. CARTER:

A point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. FENWICK:

Oh, yes, we always get these points of order.

MR. J. CARTER:

Mr. Speaker, we are seeing a despicable display of distortion here and, I think, that if the rules of this House, or if the rules of Parliament mean anything,

at least the record can and should be set straight at this very instant, not wait for these distortions to get over television or over the media. If ever there was an argument needed to show why television should not be allowed into this House, the hon. member is producing that perfect, crystal clear argument right now. Because until his errors are pointed out with facts and figures, the poor souls who might be watching, and I cannot think who would possibly want to watch this House on television, the poor souls who would watch this performance might, a few of them, a small percentage of them, might believe this nonsense. I think it is pernicious, wrong, wrong-headed, and utterly unparliamentary to come up with deliberately false information in the House of Assembly. It is wrong, wrong, wrong!

MR. SPEAKER:

To that point of order. It is not for the Chair to rule if the hon. member for Menihek is right or wrong. If the hon. member for St. John's North wishes to debate the issue, he may stand up after the member for Menihek is finished.

The hon. the member for Menihek.

MR. FENWICK:

I am going to make a suggestion to you, Mr. Speaker, that like in soccer games, when you have people injured and they have to take a couple of minutes to haul them off the field, maybe what we should have in this House is Tory time; that would be a couple of minutes added on to the time that I have spoken to account for the jackasses over on the other side who continue to interrupt on spurious points of order.

Anyway, Mr. Speaker, what I wanted to do at the end of this particular time period, since it has been chewed up by these foolish remarks from the other side, is to lay to rest some of the arguments that the Minister of Finance is bringing forward in terms of our pension plan and its financial status. I have here in front of me the Province of Newfoundland's pooled pension fund financial statements 1985, December 31. The minister tabled this in the House, I think, a couple of weeks ago and maybe he should go back and have a look at it. Because what he has been saying on a consistent basis is that there is not enough money going into the pension fund plan in order to pay the kinds of benefits that we have here. The Public Service Pension Plan, the big plan, the one that covers 24,000 public employees who are working and another 4000 Or 5000 who have already retired, I look at the financial statements, on Statement 2 in the thing, and I see that there was \$74 million put into the fund last year, of which almost \$50 million was contributions and about \$25 million-plus was interest earned on investment. So \$75 million goes in. Mr. Speaker, if this plan was in trouble, clearly more money would be leaking out. Yet, we look down at the expenses and we find that only \$28 million went out. In other words, almost \$50 million more went into the Public Service Pension that came out. I mention that because the minister has repeatedly stood up and said that these people are getting benefits well beyond what they deserve to pay.

Now, if you flip along a couple of pages, you will find a section called the Unfunded Liability, as

the minister will no doubt point to when he gets up, and you will find \$500 or \$600 million in unfunded liability in the Public Service Pension Plan. But, I suggest to you, what that is is the free ride that the Province got up until July 1980 when we never had a funded plan, when the premiums from all the public employees went to the exchequer of the government and were used to pave roads and do everything else. If that had gone in along with the contributions, Mr. Speaker, we would be in a much better position to say that it was reasonably balanced and paying its own way. In other words, Mr. Speaker, what we are seeing is \$205 million at the beginning of last year in the Public Service Pension Plan, and \$53 million in the Teachers Pension Plan.

DR. COLLINS:

Go get a primer on pension plans and read it.

MR. FENWICK:

In other words, there is \$250 million in the fund. By the way, one of the things that I find insulting is that all this \$250 million is primarily invested in outside corporations. Our provincial government does not even have the confidence in the Newfoundland economy to invest even a small proportion of that fund in creating jobs in this Province. I would suggest to the minister it is shameful that he would allow this kind of money to be used to build up Toronto, Vancouver and other places in this country, when we put none of it into developing the economy of the Province itself. I think it is shameful. They would not even put in 10 per cent of it, in terms of investing in our local economy. Anyway, Mr. Speaker, that is

another argument and we will get into that another day.

The point I am trying to make to you is that if the Finance Minister stands there and says that our public employees, all 30,000 of them, working and retired, are ripping off the government, he is sadly mistaken. They worked hard for those pensions. They deserve to get those pensions. And this increase is such a pitiful amount, in fact the whole \$1 million or so that it is going to cost, is more than taken back by the robbery created by this government since January 1 and will be legitimized by Bill No. 40, even though Bill No. 40 will clearly clear up an illegal position of the provincial government where it had no right to do what it did. It had the legislative right to do one thing; it refused to do it because it was foolish to interpret the legislation that way. So, on the basis of it, Mr. Speaker, I suggest to you that all this is is a paper transaction. When we get to Bill No. 40 and the actions of this provincial government, more money was made by it than is entirely necessary in order to pay these increases. In other words, the grinch has given nothing to our pensioners, he has just reshuffled the dollars around this year.

Thank you very much, Mr. Speaker.

DR. COLLINS:  
Mr. speaker.

MR. SPEAKER:  
If the minister speaks now, he closes the debate.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, just a few comments. I do not intend to get into Bill No. 40, that will come up at a later point in time. I will look forward with anticipation to debate on that, when I will answer some of the comments in that regard that were raised by the hon. member for Bonavista North (Mr. Lush), who is now being spoken to by the hon. member for Bonavista South (Mr. Morgan).

Anyway, I will answer some of the comments made by the hon. member for Bonavista North which I think do need clarification. I think there is a certain degree of misunderstanding he might have there, but I look forward with even greater anticipation to Bill No. 40 when I will comment on the comments made by the hon. member for Menihek, which are not based on misunderstandings, because I have given him the facts, they are clearly based on attempts to distort and confuse and to cause anxiety. I will look forward to that with great anticipation.

Now, Mr. Speaker, the hon. member for Bonavista North mentioned the 3 per cent and, as hon. members know, that more or less approximates the inflation factor. So what we are doing now for the general run of pensioners is really keeping them up to the ravages of inflation. Their real pensions this year, after this bill goes through, will be the same as the real pensions last year, there will be no erosion by inflation.

Now, the hon. member says he wishes there was greater increases. I wish so, too. I sincerely wish so, and, if our pension fund would allow it, clearly we would do that. But as hon. members know, our pension

fund on an actuarial basis is in serious difficulties, even despite the efforts of this government to partially fund it since 1980, and even though we plan, as a result of recent actuarial reports, to bring in changes. With the concurrence of our employee groups and their representatives, we intend to bring in quite a number of changes to pension arrangements in this Province on the basis of indepth study we have done since receiving the actuarial reports.

But to equate the 3 per cent to the 6 per cent that the public service got - the now working public service - I do not think is quite logical, because the 6 per cent was really the result of collective bargaining. The increase we are giving in pensions is really designed to do as much as we feel it is prudent to do from the plan, and the least we should do is to match inflation. But the increases to the public service, that is done in a totally different environment, that is done in the collective bargaining environment and it could be that that increase to the public service might have been 10 per cent, if the collective bargaining had gone that way, or conversely it might have gone 2 per cent, it it had gone another way. So, really, there is no particular relationship between the two.

Now, the hon. member from Bonavista North also suggested that he would like to see annual increases. I guess what he is speaking of there is essentially a form of indexing, and that is a legitimate point. I would point out, though, that some of the provinces who do index, who have regular automatic indexing, that indexing is at a lesser rate than the CPI, in other words, the CPI

minus 40 per cent, CPI minus 30 per cent, that type of formula is in there. So just because we do it on an ad hoc basis does not necessarily mean that we do it at a lesser rate than plans that have an automatic escalation there.

Now, Mr. Speaker, as I said, I am certainly not going to get into Bill No. 40, but I do just want to very, very briefly bring to the hon. member's mind how our pension plans are arranged. I have done this quite a number of times in the press and so on, so there really should hardly be any need for it. I do not know, but I suppose it is like bringing a horse to water; you can bring a horse to water but you cannot make him drink, all you can do is keep bringing him to water.

Our pension plans were arranged in 1967 and, at that time, a definitive decision was made on the basis of a commission report - I believe it was a Royal Commission - where it was suggested, and the recommendation was ultimately taken up, that the pension plan from the Province and the pension plan that was coming from the federal government, i.e. the CPP, these should be co-ordinated, and they were co-ordinated in such a way that up to sixty-five a certain amount of money was received by the pensioner. After sixty-five, the pensioner received at least that amount, probably a bit more, but there would be more of it coming from the federal side and less from the provincial side.

Now, this is not taking anything away from anyone. This was the arrangement. This was the organization of the plan. This was the Statute that said that this had to be done, and we have

been doing it for early retirees for years. We have thousands of early retirees out there who got early pension benefits. Whenever they got early pension benefits and became eligible and collected CPP, there was this formula clicked into place. We have thousands of them out there.

Now, previously you could only get early retirement for medical reasons or disability reasons or that type of thing. There has never been any question about it. The medical retiree - they call him that - the early retiree, he knew this was in the plan. He accepted this arrangement that was in place. The fact that now there are healthy people eligible for early retirement really does not in any way change the arrangements that are in the Statute. We are just following the Statute, and it is not a case of taking anything away or robbing or anything like that, these are distortions, and, I suggest, deliberate distortions, that the hon. member for Menihek has been pushing around for some time.

Now, the last point, a word on investments: The hon. member, in his naiveté and in his, whatever the word is one might use, suggests that we are deliberately not using the money in the pension fund for the benefit of Newfoundlanders. The money in the pension fund is invested by experts, and their objective is to maximize for the benefit of pensioners, for the benefit of retirees. Their mandate is to maximize the return on investments, and this is for the benefit of pensioners. We do not direct them to do it. The experts do this, and they follow the dictates that the federal government lays down for its

investment policy.

With those remarks, I move second reading.

On motion, a bill, "An Act Respecting An Increase In Pensions," read a second time, ordered referred to a Committee of the Whole on tomorrow. (Bill No. 28)

Motion, second reading of a bill, "An Act To Ratify, Confirm And Adopt An Agreement Between The Government Of Canada And The Government Of The Province Respecting Reciprocal Taxation Of These Governments And Their Agencies." (Bill No. 32)

MR. SPEAKER:

Before I recognize the hon. the Minister of Finance, I wonder if I could first of all welcome sixteen Grade V and VI students, their teachers and their chaperon, Mrs. Gladys West, from Horwood, Notre Dame Bay, and their teacher, Mr. Danny Rideout, Principal.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Also, I would like to read the three questions for the Late Show.

First question: "The answer to my question in today's Question Period to the Minister of Fisheries requesting representation to be made to Ottawa for an extension to U.I. benefits for fishermen was not answered satisfactorily." That question is placed on the Late Show by the member for Twillingate.

The second question is with regards to Catamaran Park. The answer was given by the hon. Minister of Culture, Recreation

and Youth. That was placed on the Late Show by the hon. member for Windsor - Buchans.

The third question is also for the Minister of Culture, Recreation and Youth. An answer given to a question asked in today's Question Period was unsatisfactory. The question was placed on the Late Show by the hon. member for Stephenville.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I will not read the rather long title of Bill No. 32. It is a matter that comes up every five years. We have had the arrangements for a Reciprocal Taxation Agreement with the federal government since, I think, 1977. It is renewable on a five year basis. It really is just an administrative ease for both governments to enter into a formal agreement as to the mutual payment of consumption taxes and fees. That is essentially all this is doing. At one time, both levels of government exempted one another. In actual fact, we, as a provincial government, did not have the authority to tax the federal government so that was the arrangement then, to exempt. But now the arrangement is that we do tax one another and it is done through the administrative ease of a specific agreement. I might mention, Mr. Speaker, that it does not always run in our favour, but this particular year it does run in our favour, to the extent of \$12 million. It is a very useful arrangement administratively, there is certainly no risk to the Province in any way, and there is often a gain. I move second reading.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Thank you, Mr. Speaker.

Mr. Speaker, we in the official Opposition will be supporting this particular bill. As the minister indicated, it is a reciprocal arrangement with respect to taxation. I believe that most provinces in Canada have a similar agreement. I do not know whether they all do, but it is a large number. I remember seeing somewhere, as well, I think in this particular bill, that it will bring to the Province several million dollars. So, we certainly would agree with the bill.

There is just one question: I wonder now, since the provincial government and the federal government have gone into this arrangement of reciprocal agreements with respect to taxation, whether the Province would not carry this a little further and enter into this kind of an arrangement with municipalities, have the same kind of agreement with municipalities, reciprocal taxation in that area, with respect to taxing provincial buildings and this kind of thing? It is my understanding that this is rather inconsistent at the moment, that it might exist with certain departments of government, and certain agencies might pay grants to the government in lieu of taxes, but if there is nothing consistent, there is nothing uniform. So I am just wondering now, since we have these reciprocal agreements between the two levels of government, what might prevent the minister from

extending it all the way and have a reciprocal taxation agreement with the three levels of government, the federal, the provincial and the municipalities, to certainly create some consistency, particularly at the municipal level, which, I understand, is not there at the moment.

That is about all we have been wanting to say on this particular bill, and maybe the minister could address that particular point as to whether he would consider in the future, and why he has not considered up to this point, carrying the agreement with the three levels of government, namely the federal, the provincial and the municipalities.

DR. COLLINS:  
Mr. Speaker.

MR. SPEAKER:  
If the minister speaks now, he closes debate on the bill.

The hon. the Minister of Finance.

DR. COLLINS:  
I thank hon. members for giving their concurrence on this bill. To answer the hon. member, I do not recall that having been discussed, quite frankly, and I will certainly bring it back to officials in the Department of Finance and discuss it with them. I rather suspect, though, that what they will say is that it is easy for two entities to reach an agreement of this sort, even though there is an awful lot of business going on between the two of them. But there is only the two of them, the federal and the provincial government. Whereas if we wanted to enter into it with the municipalities, we would have to have many, many agreements, and

not all municipalities have the same amount of provincial institutions in them, and the tax rates are different, and so on and so forth. It might well be a very complex thing to set up on a formal basis, but I certainly will bring that back and discuss it.

I move second reading.

On motion, a bill, "An Act To Ratify, Confirm And Adopt An Agreement Between The Government of Canada and The Government Of The Province Respecting Reciprocal Taxation Of These Governments And Their Agencies", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 32).

MR. SPEAKER (Mitchell):  
It is moved and seconded that I do now leave the Chair and for the House to resolve itself -

MR. OTTENHEIMER:  
No, I think if Your Honour would not mind, we will go on to Order 15.

Motion, second reading of a bill, "An Act To Amend The Government-Kruger Agreements Act." (No. 25).

DR. COLLINS:  
Mr. Speaker.

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

DR. COLLINS:  
Thank you, Mr. Speaker.

Mr. Speaker, the purpose of this bill is to give government the authority to amend the agreements we have in place with Kruger under The Government-Kruger Agreement Act, 1984. As hon. members know, since the take over by Kruger of



the Corner Brook mill, they have been carrying out an extensive capital modernization programme. I think they have rebuilt three machines. They have installed top rollers. They put in TMP lines and so on and so forth, some of these quite technical matters.

We had a very interesting visit out there a little while ago. I had visited the mill about seven or eight years ago and even with that span of time I could see a tremendous difference in the mill. There were still some teething problems there but it really seemed to be quite changed, and it seemed to be much more efficient, to my untutored eye.

Mr. Speaker, the modernization programme has turned out to be more extensive than originally anticipated. The programme cost over \$130 million up to the end of 1986; and it is estimated that another \$140 million is going to be needed to complete the process over the next couple of years. So that will be a total of \$270 million spent on the mill, and that is \$72 million higher than was originally anticipated. Now, Kruger themselves are kicking in about \$42 million of that extra \$72 million, which means that there is a shortfall of \$30 million there. They want to finance this through bank accommodations.

The banks, through the lead bank, the Royal Bank, are quite agreeable to do this, however, to do it, because of certain agreements we have in place, particularly the put agreement in regard to the Deer Lake power plant, they have to come to government to have certain changes made to the agreements and, in actual fact, as it turned out, we

had to make certain legislative changes to allow this. So the end result will be that Kruger will be permitted to take up a \$30 million accommodation that the banks were quite willing to give them, provided we give the permission.

As I mentioned, our consent is required to increase the amount of capital borrowing that Kruger can undertake. Up to now, they could only undertake \$80 million of capital borrowing, so they need our agreement to advance that amount to \$110 million. The original agreements make no provision for such changes and that is why we have to come before the House.

The amendments that this bill goes into will not increase the level of risk to us in any way and will not interfere with our security. It will not in any way change, for instance, the price of power that Kruger has to pay in addition to the power it generates itself. It will not increase our obligations in any way. When the actual agreements are changed, the wording of those changes will be tabled in the House here within fifteen sitting days, if the House is still sitting, or very shortly thereafter, if the House is not sitting.

That is the reason for this bill. It is a fairly short bill and I think really just reading it explains what we have to do. As is pointed out here, the amending section will not make any negative changes for government obligations that I have mentioned.

There may well be questions. I will do my best to answer them if they come up in regard to the Kruger operation generally out there, and there may be other

members in the House who are perhaps a bit more familiar with the thing on the ground who might be able to answer some of the questions, if they should so come up. With those words of explanation, I move second reading.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Thank you, Mr. Speaker.

Mr. Speaker, we certainly, on this side, want to be seen to do anything to support any measure that is going to support an industry with the impact of Kruger. However, it would appear, on an initial reading of this bill, that the minister is asking for too many powers to correct what appears to be a deficiency in the present agreement. Now, if I gathered correctly from what the minister said, the intent of this bill is to allow Kruger to borrow more money for modernization. That is really the intent of the bill, to allow Kruger to borrow more money for its expansion, for the capital funding of its modernization.

Now, the question that must be asked is: Why could that specific amendment not be brought before the House, if that is what is needed to be done? It appears here, by doing this, the government now has the power to change just about anything in the agreement with the exclusion of the three things that are mentioned. Maybe I am reading the bill wrong but this is what appears. Anything in the Kruger agreement now can be changed when

all the minister is looking for is an amendment to one deficiency, an amendment to one clause really that would allow Kruger the borrowing power which is necessary for the completion of their modernization programme. That would appear to be the essence of what the minister has been putting forward to the House.

The bill itself goes much further than that. The bill gives the government actually unlimited power without practically any reference to this House. There is some suggestion that if there are any changes made in the bill that the minister will bring them in fifteen days after the House opens. But, Mr. Speaker, that is after the fact. All of the changes will then be made. I guess the salient point is is the minister not asking for too much power, are the government not asking for an enlarging of the powers that are not necessary really for the purposes that the amendment was asked to achieve, namely, to give Kruger the extra borrowing powers?

We appreciate again that it does not place the Province in any more of a risk situation. It does not increase the liability of the Province. But, the Explanatory Note says, "This bill would amend the Government-Kruger Agreements Act to provide authority to amend the Agreements ratified, confirmed and adopted by that Act."

Maybe the minister can clarify the situation. Maybe he can tell us something that we do not already know. Why would the government need those extensive powers to almost change anything in the Kruger Act when all they are looking for, actually, is one change? All they are asking for

is one particular thing and that is to increase the borrowing power of Kruger to allow them to be able to carry out the modernization to the extent that they want to carry it out. There is nobody on this side of the House that wants to prevent that, Mr. Speaker, let me assure hon. members. We want to see that particular operation modernized, Mr. Speaker, and developed to its full potential, developed to its maximum with the latest technology. We want to see all of that but still, there is no necessity of removing the powers from this Assembly, there is no necessity to give the government almost carte blanche the right to change anything within this agreement other than the specified need of Kruger at this particular moment.

So it certainly appears to be an enlarging and a substantial increasing of the government's power with what they are asking for here today when they only want a miniscule amount almost of what they are asking for. They want one particular item. So my question to the minister is: Why did he not bring in that specific amendment related specifically to the ability of Kruger being able to increase its borrowing power to be able to carry out the particular job that they want to carry out? I believe the minister would have to address that to the satisfaction of all members before we can approve giving him the powers asked for in this particular bill.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:  
Hear, hear!

MR. FLIGHT:  
Mr. Speaker.

MR. SPEAKER:

The hon. the gentleman for Windsor - Buchans.

MR. FLIGHT:

Mr. Speaker, I will not take long, but I want to reinforce what the hon. member for Bonavista North (Mr. Lush) just said. This side, the Opposition would do anything to facilitate anything that Kruger would want to do in the better interest of the operation in Corner Brook, but the member is right, Mr. Speaker.

The original Kruger legislation ratified and was accompanied by these agreements, "Documents Relating To The Government-Kruger Agreements Act". There are many agreements in this book, as the minister well knows. What this legislation is doing is giving the minister or government the right, without further reference ever again to this Legislature, without bringing in any more amendments, to change any agreement in this book. Any agreement gone into and ratified by this original legislation can now be changed if this legislation is allowed to pass.

Now the question has got to be to the minister: Why, in order to facilitate Kruger in doing whatever they indicated to the minister they wanted to do, to facilitate their borrowing another \$30 million to carry on the modernization programme, why would not the minister have brought in a piece of legislation asking to have that particular agreement amended?

The minister is asking for a blank cheque. He is asking this Legislature, by passing this piece of legislation, to give the government the right, without

further reference to this House of Assembly, to change any agreement contained in all the agreements that were ratified by the legislation. Mr. Speaker, timber rights are considered in here, which are very important to the overall Government-Kruger deal. All the rights that was negotiated by Kruger and Kruger felt was necessary to receive and all the agreements necessary that Kruger felt and the government felt was necessary at the time was ratified by this legislation and contained in these agreements. Mr. Speaker, there is no reason. It is not right and this Opposition is opposed to giving the government what in effect is a blank cheque, a blank cheque to do anything they want to do to change any of the existing agreements.

Too many people, will be affected, Mr. Speaker, too much of the economy of Newfoundland is relying on these agreements. There are many genuine reasons why this House of Assembly should not and certainly why this Opposition is not prepared to give the minister carte blanche, a blank cheque by passing this legislation.

A question arises here, Mr. Speaker. If this particular piece of legislation is indeed passed, if we set the precedent now of giving the minister the right to change any agreements that were ratified by the Government-Kruger Agreements Act, then why would we not assume that next week some time he will come back in with another little amendment that looks so unimportant, simply three lines, to amend any agreement, to change any agreements in Newfoundland that have been ratified in legislation by this particular government.

No, Mr. Speaker, it is precedent-setting and it is dangerous. We are not prepared to approve of this amendment. Mr. Speaker, the point that the minister made that if a change is made to any agreement included in the Government-Kruger Agreements Act, that he will take it on himself, if the House is not closed, to bring the changes to the agreements into the House fifteen days after the change has been made. However, if the House is closed, he will bring it in fifteen days after the House is opened.

Hon. members will remember that the House of Assembly closed in June of last year and opened in March the next year, nine months. What will be the purpose of the minister advising the House that a change was made to the Kruger agreements nine months after the fact, Mr. Speaker? I mean that is not rubber stamping, that is taking this House of Assembly for granted. As a matter of fact, Mr. Speaker, that is showing a lack of courtesy to the House of Assembly. There is no way, Mr. Speaker, and there is no argument that the minister can put up that should convince this House of Assembly to pass this particular amendment.

I agree with the hon. member for Bonavista North (Mr. Lush), Mr. Speaker, that if Kruger finds themselves in the position that a certain agreement ratified by that legislation is creating problems in their financing schemes, or creating problems in their continuing on with the modernization programme, then let the minister bring a piece of legislation before this House and indicate the specific agreement that he wants to change. This

Opposition will very quickly, Mr. Speaker, ratify or pass with very little debate the change necessary once the minister proves to the House and indicates that it is important and that Kruger needs the change to a specific agreement.

So what I say to the minister is exactly what the member for Bonavista North said to the minister. No, we will not support an amendment that allows the minister to change without reference to the House of Assembly all the agreements that are included and ratified by the legislation under The Government-Kruger Agreements Act. No, we will not do that. It is not necessary. The minister should not ask for it. If the minister was being responsible to this House, he would come in, indicate exactly what changes are required and what agreement of all the other agreements that Kruger needs changed, and bring into this House a piece of amending legislation that would do what he wants to do.

But no, Mr. Speaker, the minister wants to be in a position so he never again has to refer to the Kruger-Government legislation in this House of Assembly. If this piece of legislation is passed, it will not be necessary for the government, or the Minister of Forest Resources and Lands (Mr. Simms), the Minister of Finance (Dr. Collins), or the Premier, to bring anything relative to the agreements that were ratified by the existing legislation concerning Kruger before the House. That is what the minister is trying to do. The minister is sending in a battalion where he needs a soldier.

He stands up, he tells us one of

the clauses in all the agreements that we have with Kruger is creating difficulties for Kruger in continuing the modernization programme in the mill. Instead of bringing in a piece of legislation, Mr. Speaker, and showing some respect and courtesy for this Assembly, instead of bringing in a piece of legislation that would give Kruger the right to continue its modernization and enable them to raise the \$30 million that he has referred to, he tries to sneak quickly through this House a piece of legislation that would have the effect of allowing the government from now on to deal with Kruger as a government, irregardless of this House of Assembly.

So, Mr. Speaker, unless the minister can stand in his place, when he does stand in his place, and explain to the Assembly why it is that, in order to effect a change in one of the many agreements entered into with Kruger, he is looking for approval of this bill, we will not approve. Mr. Speaker, he has indicated here today that all this legislation is supposed to accomplish is that he wants to be in a position to change an agreement that will allow Kruger to continue their modernization programme and to raise \$30 million. Now, Mr. Speaker, unless the minister is prepared to explain why that is so, that he would bring in an amendment that would, in effect, if passed by this House, allow the government, without reference to the House of Assembly, to change any and all of the agreements ratified by the original legislation, we will not support this move.

So, Mr. Speaker, we do not believe that the minister is acting

properly with the House. We do not believe the government needs that kind of power. We think that the Kruger operation is too important to the people of Newfoundland for the government to be in a position to make whatever little deals they want to make without reference to the House of Assembly. So we cannot, Mr. Speaker, support the government. We may support the minister, we may support this legislation, if the minister is able to convince this House, when he stands in his place, that this is the proper kind of legislation to effect what he is trying to do.

Mr. Speaker, this government has had a penchant for doing things outside of the House of Assembly. They want to be in a position where they can do what they like when the House is closed, Mr. Speaker, without reference to the House of Assembly, without having to worry about coming back and defending their actions in the House. Mr. Speaker, let it be known that this is precedent-setting legislation.

Will the minister next week bring in a piece of legislation that would, in effect, give them the right to amend all the agreements they have or change all the agreements they have with Abitibi Price or with Hope Brook Gold Mine? Will we see a piece of legislation shortly now whereby the minister would be asking that, say, 'because B.P. Selco ran into a little problem in Hope Brook, we are now going to ask you to pass an amendment that allows us from now on to change any agreements, and make any new agreements with B.P. Selco without reference to the House of Assembly.'

If he passes this, then there is

no reason why he could not do the same thing with B.P. Selco, with Abitibi Price, or any of the major corporations where there are agreements between the Newfoundland Government and the corporation, there are agreements in place ratified by legislation. Will the minister now try to slip in a little amendment that will take the rights of the House of Assembly away from the people, that will deny the House the ability to question and to debate about what the minister is doing or the government is doing relative to a corporation like Kruger? No, Mr. Speaker. He might try it. Of course, with his numbers, he will be successful. But he will not do it with our compliance.

So, Mr. Speaker, the minister has shown once more that he is capable and willing to slide things passed the House. If this hon. government had their way, Mr. Speaker, there would be no need for this House of Assembly to exist. This here is proof of it, Mr. Speaker. So we will not pass this legislation willingly.

I adjourn the debate, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The debate is adjourned by the hon. the member for Windsor - Buchans.

It now being 5:30, there is a motion to adjourn before the House and I will call on the hon. the member for Twillingate who is not satisfied with the reply he got from the Minister of Fisheries on UI benefits.

The hon. the member for

Twillingate.

MR. W. CARTER:

Thank you very much, Mr. Speaker.

Today, Mr. Speaker, on the Northeast Coast of this Province, between Cape Race and Cape Bauld, there are approximately 6,800 inshore fishermen. Of that 6,800, approximately 4,300 are ground fish fishermen only. In fact, I am not completely sure of the accuracy of that figure because the Licencing Department of the Department of Fisheries and Oceans could not supply me with an up to date number as to exactly how many of our so-called inshore fishermen have ground fish licences only. But I think we are safe in saying that the amount would be around 4,000.

Mr. Speaker, this year, I suggest to you, Sir, a large number of these 4,300 fishermen who only have ground fish licences have not had a pay cheque since their unemployment insurance benefits ceased on May 15. The reason of course, Mr. Speaker, is that the ground fishery this year, the cod fishery in that area on the Northeast Coast, including Labrador, has been a dismal failure. This morning, again, in the absence of up-to-date figures from the Statistical Department of the Department of Fisheries and Oceans, I conducted a telephone survey of the major inshore fish plants in that area to find out firsthand exactly what the situation was with respect to this year's ground fishery.

I was told by Mr. Boyd Way, for example, the owner and operator of Beothuck Fisheries - and in that company he has five plants, in Northeast Newfoundland, one at Greenspond, Valleyfield,

Twillingate, Bridgeport and Musgrave Harbour - I was told, and I am quoting Mr. Way, 'This has been the blackest year yet in terms of the inshore fishery.'

I talked to Dr. Blackwood, who is the part owner of a plant that is operating, I believe, near Clarendville. I heard the same thing. It is very, very slow, practically no cod fish whatsoever.

I made a telephone call to the Fogo Island Co-op and was told that the same situation exists. In fact, this year their production is 250,000 pounds behind that of 1986. Great Harbour Deep, no cod. Jones Limited in Little Bay Islands, a desperate situation, no cod fish. National Sea, for example, in LaScie, a large new modern plant, last year, by this time, they had processed 1.5 million pounds of fish. This year to date, they have managed to obtain and process 20,000 pounds, as opposed to 1.5 million pounds the same time last year.

My friend for Eagle River (Mr. Hiscock) did a telephone survey of his district and the same situation exists. There is no cod in the Labrador Straits and on the Eastern Coast of Labrador. We have the exact same situation.

So, Mr. Speaker, I think it is fair to say that we do have a crisis at this point in time in a large number of communities in Newfoundland affecting a large number of Newfoundlanders. Now I realize the Summer is still early. June 11 is hardly the end of the cod fishery. But certainly I think we can take the statistics from last year and compare them with this year, all agree that there is a problem and that

something must be done.

Mr. Speaker, as we all know, one of the anomalies in the Unemployment Insurance Act, as it applies to inshore fishermen, is that benefits start on November 15 irregardless of what is happening in the fishery. It is often the case, especially on the Northeast Coast, that the fishing industry ceases to exist after September 15 or October 1, but that does not matter. The people still have to wait until the end of November in order to get their first benefit.

Then, of course, we all know that come May 15, again, irregardless of what is happening in the fishery, years have gone by when the Northeast Coast has been blocked with ice and no fishing could take place before well into June month, despite that, in the absence of a special arrangement, the fishermen in those communities were kept without any income whatsoever after their last UI cheque came payable on May 15. That situation, Mr. Speaker, is not good enough.

MR. SPEAKER:  
Order, please!

The hon. member's time has elapsed.

SOME HON. MEMBERS:  
By leave.

MR. SPEAKER:  
By leave.

MR. W. CARTER:  
My question to the minister yesterday was prompted by that fact, that we do have a lot of fishermen that have not received any income since their last unemployment insurance cheques arrived. I believe something has got to be done.

If we are going to maintain the inshore fishery and give the people engaged in it a chance to live, and to live decently, as they are entitled to, then, I believe, we are going to have to take some drastic action to change the restrictions, especially the dates on which unemployment insurance becomes payable, and on which it ceases to be payable. I am not blaming the minister, Mr. Speaker, for the lack of fish. We all know that is something over which he has no control, but certainly, I think, the minister does have some influence in Ottawa.

I would ask him tonight to make sure that he makes the necessary representation to his federal counterparts to ensure that some kind of relief in the short-term is made available to the many hundreds, probably thousands of Newfoundlanders that are without money by virtue of the poorer fishery this year.

Thank you, Mr. Speaker.

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

MR. RIDEOUT:  
Thank you, Mr. Speaker.

I have no argument or difficulty at all with the question asked yesterday by the hon. gentleman and with the statements of fact contained in his presentation here this evening.

There is certainly no doubt about it, while it is still relatively early, and while one can still be relatively optimistic, there is no doubt that on most of the Northeast Coast of Newfoundland and Labrador the inshore ground fishery in particular this year is



off to one of the slowest starts in the last number of years, and in many parts of the area is totally non-existent.

There have been some bright spots over the last few weeks in terms of fishermen who were equipped. They are all licensed because it is ground fish, but fishermen who were equipped to take part in the lump row fishery in all areas of the Northeast Coast of Newfoundland and Labrador have done extremely well. In fact, the average weekly income for fishermen who have been equipped with nets to take part in that fishery have been very, very good in all parts of the Province where the fishery has been taking place.

The caplin fishery, as hon. gentlemen are aware, is not yet started and, of course, would not be started on the Northeast Coast yet for perhaps another week or ten days but it is certainly ready to go in St. Mary's Bay. That has not started for reasons that, I think, are clear and known to everybody in the House and in the Province. All that being said, everything that the hon. gentleman has said in his statement of facts here this morning is correct.

The position of the Province in terms of unemployment insurance benefits for fishermen is clearly and absolutely known to everybody. We have, year after year, time after time, opportunity after opportunity, made representation to the Government of Canada, the present government and previous government. We have made representation to Parliamentary Committees on the fisheries when they were here a year or a year and a half ago. We made representation to the Forget

Committee when it was here some time ago on a new income programme for fishermen because the unemployment insurance programme, as we have it now, does not have the flexibility and, indeed, the capability to respond to those unique circumstances that we face from year to year.

Sometimes there have been problems environmentally with ice conditions and the federal government have changed the system by extending it. That is a Band-aid solution to a problem that is not going to go away because of the very nature of the industry. The problem is always consistently with us in Northern Labrador where those fishermen run out of benefits the fifteen of May, but it might be well into July in most years before they can get into the fishery through no fault of their own.

So, I think we think as one and beat as one on this particular issue and we will continue our efforts to have changes brought about. As a matter of fact, Mr. Speaker, I will be meeting with the federal minister and the rest of the Atlantic ministers on Monday and Tuesday of this week. One of the items that I will be raising, in a very forceful way, is seeking his support as another occasion and another effort and another try to try to put in place some kind of a better system to ensure that fishermen are treated fairly in all parts of this Province, no matter whether there is a downturn in the fishery, whether it is because of environmental reasons, whether it is because of ice conditions, or whatever.

The present system is not working. We all know it and we

all have a responsibility to try to change it.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the member for Windsor - Buchans is not satisfied with the answer he got from the hon. the Minister of Culture, Recreation and Youth.

The hon. the member for Windsor - Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

As the members of the House of Assembly and the minister in particular will know, there are today students demonstrating in Catamaran Park four or five kilometers from Badger, and the reason they are demonstrating, Mr. Speaker, is because they are trying to support what they see as their rights to jobs that were created in Catamaran Park by the Parks Division of the Department of Culture, Recreation and Youth.

Now, Mr. Speaker, one needs to know, as I said earlier, that Badger is situated roughly four or five kilometers from Catamaran Park or vice versa. It is seen as a major contributor to the economy of Badger. It is seen, and rightly so, as a source of employment for the people of Badger when and if jobs are created in Catamaran Park.

Sometime early this Spring the minister announced that there will be a special programme in Catamaran Park that will make available eight jobs. Every student in Memorial University, at the Cabot Institute, at the Fisher College, saw that as maybe a

possibility to get a Summer job, and they started applying. Starting in February, they started calling me and writing letters and coming to see me in my office asking if I would support their applications, which I did, Mr. Speaker.

Then, Mr. Speaker, the time came for the jobs to be allocated. There were ten jobs. In the first instance, there were two jobs. The park was hiring two full-time staff members. Mr. Speaker, those two full-time staff members came from Grand Falls. I know the students and I know the background of those two particular people.

So, Mr. Speaker, I saw the possibility that this may happen in the special jobs created by the minister and I took it on myself to call the deputy minister and point out to him that there must be dozens of applications. Everyone who applied did not come to me to support them. I have no doubt that every student in Badger looking for work did not necessarily ask me to support them. So I only supported five or six or seven or eight, whatever it might be, some by telephone, by the way.

Let me read to the minister the type of letter I wrote on behalf of those students and let me, in doing so, show the minister the type of student that he rejected when he allowed political interference to be a factor in giving out those jobs. Let me show the minister the kind of a student or the kind of a person whose back he was taking the jobs off of. Let me read this letter.

"Mr. Don Hustins, Director," the man responsible for parks administration in this Province,

the man who, as far as I know, carries out the instructions of the minister, when the minister allows him. "Mr. Don Hustins, Director of Parks Division. Dear Mr. Hustins, I understand" and if the members do not insist, I will not read the name. I would prefer not to, but if the minister insists I will.

MR. MATTHEWS:  
No, no names.

MR. FLIGHT:

"Dear Mr. Hustins, I understand that you have an application from a Miss of Badger for a job at Catamaran Park under your Summer Employment Programme. I hereby whole-heartedly support Miss efforts to acquire Summer employment. Miss is a student at Memorial University," and listen to this, "and wishes to continue her education there. Miss lives with her grandparents in Badger and the only financial means that she has to continue her university studies is any help that can be provided by her grandparents which, I am sure you can appreciate, is limited."

"I firmly believe that Miss deserves special consideration when jobs are being allocated and I would be very grateful if she were given special consideration."

Now that is the kind of people who were expecting to get those jobs, Mr. Speaker. In spite of that, in spite of phone calls to the deputy minister, in spite of calls and letters to the minister, the minister decides to practice what is blatant, crass, arrogant, political patronage.

AN HON. MEMBER:  
Did you call (inaudible)?

MR. SPEAKER:  
Order, please!

MR. FLIGHT:

I will end my debate, Mr. Speaker, and ask the minister to stand here. If he thinks I am wrong, or the minister thinks I am wrong in suggesting that there was political interference, let me ask the minister this: By what criteria can you create eleven jobs in Catamaran Park, and in the selection of those jobs, what criteria is there that not one - what criteria did the Minister of Forest Resources and Lands (Mr. Simms) or the Minister of Culture, Recreation and Youth (Mr. Matthews) follow -

SOME HON. MEMBERS:  
Hear, hear!

MR. FLIGHT:

- when, in allocating eleven jobs in Catamaran Park, that not one of those jobs went to a student or any other person of Badger?

If the minister can stand in his place and justify the criteria and explain to my satisfaction, or to the satisfaction of the members of this House the criteria used, then I will apologize and I will say, "Yes, it is my fault that the students in Badger did not get any work." I want the criteria, Mr. Minister.

SOME HON. MEMBERS:  
Hear, hear!

MR. SPEAKER:

The hon. the Minister of Culture, Recreation and Youth.

MR. MATTHEWS:

Mr. Speaker, I do not want the member to apologize. I think in Question Period today we had a very free wheeling debate with

questions and answers on this particular situation. As I said at that time, there were some 1,100 people applied. The people that were hired for all the parks projects, 225 people employed in some 35 parks, met the criteria that was established by the programme. Number one is that they must be unemployed Newfoundlanders and Labradorians, and the other criteria was that 40 per cent must be twenty-five years of age and under. This criteria, Mr. Speaker, has been met.

As I said, when you have approximately 900 people who applied for jobs and do not get them, then quite naturally they are disappointed. I would love nothing better than to be able to hire 1,100 people or 1,200 people in provincial parks, if the work was there for them and if the funds could be found to hire them.

The simple realities of life are that we have accessed over \$900,000 to create 225 jobs in the parks and 40 per cent, which amounts to 90 of these people are 25 and under, in addition to 95 people who are employed as students in our regular Student Summer Programme.

MR. SIMMONS:  
Tories.

MR. MATTHEWS:  
No, Mr. Speaker, they do not have to be Tory. There have been people working in our parks for years and years that I guess have been there long before even this administration took over, so I do not know if they are Tory now, or if they were Tory before. Do not try to reflect in a manner that everything that happens is Tory because that is not correct.

My department, Mr. Speaker, tried this year to initiate a job creation programme, and as a government, because this year we did not get involved with the Federal Job Strategy or the Challenge '87, we tried to go our own route and we put a significant amount of dollars in. It is the first time for the programme and we had a great rush of applications. We wanted to get the people working by June 8 to get the projects on and get the people employed to at least some time in late August or early September.

It is like any other programme, Mr. Speaker, when you bring it in first time. No one is saying we are perfect, no one is saying that we cannot fine tune it and improve upon it in years to come. As we get five or six weeks into the programme, maybe some other things will come to light which we can improve on. If so, of course, we are hoping that it will be much better in future years and that we can find at least as much money, or hopefully more, than we have this year.

So the situation is, as an article in The Evening Telegram says today, that the people of Badger have got nothing against the people of Grand Falls, and I think the member is trying to highlight that. I fully appreciate that he is trying to make a few brownie points with the people in his district, because he has only got a few short days left, Mr. Speaker, to make brownie points.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
From some results that I have seen in the last couple of weeks, Mr.

Speaker, it will only be a few short days for the hon. member. The situation is, Mr. Speaker, that I would like to say to the hon. gentleman, for his information and I want to go on record as saying, that I am fully sympathetic to any unemployed person in this Province. I am sympathetic to the cause of the people in Badger, which the hon. gentleman is addressing. We are announcing job creation projects on a weekly basis, sometimes two or three times a week.

MR. SIMMS:

There were two hires this week from Badger.

MR. MATTHEWS:

Yes. within the last forty-eight hours there have been a couple of rangers hired who are from the town of Badger, one working in Catamaran and one working in Mary March. So, the thing is, Mr. Speaker, we have work now in thirty-five of our parks and, as I said, we are delighted that we have accessed approximately \$1 million to do that, to date. Over the last number of weeks we have had our parks people looking at other parks in the Province where we need work done, regular maintenance and upgrading and, while there have been no final decisions made, over the next week or so we may decide as a government to increase the work in our parks and other parks.

As I have said, all the monies have not been spent. Our Parks Division is doing work, and it is conceivable that work will be done in a number of others and Catamaran maybe one of them, I do not know, no decision has been made.

I would just like to inform the

hon. member that the Premier has received a telex from the Mayor of Badger and the Premier has already responded to the Mayor. He is fully aware of his concerns, and the Premier has advised him that other projects are under consideration; they are both public sector job creation programmes. In the private sector, no final decision has been made. We all know that Catamaran received extensive fire damage last year. We have spent a fair amount of the dollars allocated so far. There is no question that there is lots of work to be done out there, and if I can somehow access dollars, and so on, for Catamaran and any other parks that we are doing, we will certainly give it serious consideration.

It is not, Mr. Speaker, that I as a minister or we as a government have anything against the people of Badger. As I have said, we have met the criteria of the programme. Eight unemployed people who were eligible for work were hired. There are 900 other people out there unemployed who are eligible for work. It was not necessarily a student programme, although students were eligible to work there. A lot of students in the Province could not take advantage of the programme because they are either in high school or are not finished their vocational school. Mr. Speaker, we are aware of the situation and I hope that answers the question to the hon. gentleman's satisfaction.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the member for Stephenville is not satisfied with the reply he got from the hon. the Minister of Culture, Recreation

and Youth.

MR. K. AYLWARD:

Mr. Speaker, that answer to the hon. member obviously shows that they are not going to bother, that patronage has now gone down to the student level. Mr. Speaker, I am going to read something that was sent to groups all around the Province, the Green Paper on Recreation talking about what this committee was going to do. This committee was going to go around, get all these briefs, and it was going to deal with putting together a master plan for recreation so that monies could be distributed fairly to people in the Province, to communities and so on. 'The committee has been given a mandate to recommend the designing features of such a master plan and how funding for recreation facilities could best be directed. Public hearings are to be conducted by the committee in order to receive input from all areas of the Province on this very important subject.' It goes on to list the areas. It also goes on to say, 'Once the public hearing stage is completed, the Facility Advisory Committee will present its report to the hon. Bill Matthews, Culture, Recreation and Youth Minister, in the Spring of 1986. Now, I would like to ask the minister, first off, why he would not bring the report in and table it? He will not table it because people around the Province, in the various communities, who gave information on their recreational needs are now looking for direction from the Minister of Culture, Recreation and Youth and his department. They expressed concerns as to where that money should go, how it should be allocated. Since the report was received in April 1986, there has been no response by your

department, either publicly or privately, as far as we know. The minister has not brought in this report which was publicly funded, paid for by the taxpayers. He has decided not to bring it into the House of Assembly, for reasons we do not know. We can guess the reason. The report says something that the minister does not like.

MR. MATTHEWS:

Not a thing.

MR. K. AYLWARD:

The minister says there is nothing in the report that he is against. Obviously, there is no problem with it.

MR. SPEAKER:

Order, please!

MR. K. AYLWARD:

If there is no problem with it, I have to wonder why he would not bring the report into this House of Assembly. The minister says there was no problem with it. Why would he not give us a list of all the grants that he has given out in the last two or three years.

MR. MATTHEWS:

I am afraid you will mix it up again.

MR. K. AYLWARD:

I am asking another question, if you do not mind. The problem is you cannot handle two questions.

MR. SPEAKER:

Order, please!

MR. K. AYLWARD:

We have asked that question on numerous occasions because it is in direct relation to the report. The report probably says that you are not giving the grants out in the proper manner. If it says that to you, obviously you will

not give us a list of the grants, and we can only assume so. We have not heard anything to the contrary. I hope when the minister gets up he is going to say that he will bring in the report tomorrow and table it, he will bring it in with all the recommendations. Since it says nothing bad about the government, obviously you can bring it in and then we can send it out to all those groups around the Province who had input into it and who have waited for over a year to find out what the direction of government is going to be. The minister can answer that question when he gets up, and he can also answer the question on why we cannot have a list of the grants, public money that is being spent around this Province, why we cannot get a list showing where that money is going.

I would the minister to answer those two questions.

Thank you.

MR. MATTHEWS:  
Mr. Speaker.

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

MR. MATTHEWS:  
Mr. Speaker, I once again thank the hon. member for his question, and I would tell him that I do not think he will have to resign to let his leader run. His leader will be able to choose the seat he wants to run in within the next couple of days without his having to resign.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
I must say to him, with all due

respect, that he has been a fine member of the House of Assembly. I certainly enjoyed having him as my critic. I really have. Even though we badger each other like this in the House a lot of times, outside the precincts of the House we respect each and talk in a pretty gentlemanly fashion.

MR. BAIRD:  
He is a nice fellow, but!

MR. MATTHEWS:  
No, I am not going to get into that.

The situation is as I outlined before with the Facility Advisory Committee.

SOME HON. MEMBERS:  
Oh, oh!

MR. SPEAKER:  
Order, please!

MR. MATTHEWS:  
Mr. Speaker, my!

AN HON. MEMBER:  
It is your own colleagues.

MR. MATTHEWS:  
Well, the boys are excited today, Mr. Speaker. You have a job to keep them down. They have seen something they suspected for the last few weeks, and I can understand why they are so cheerful and a number of people on the other side are so pale. I can understand that.

But getting back to the question, Mr. Speaker, in the Facility Advisory Committee report, as I said to the hon. gentlemen, there are a lot of good recommendations, a number of a monetary nature, based on the budget of the department -

SOME HON. MEMBERS:  
Oh, oh!

MR. SPEAKER:  
Order, please!

MR. MATTHEWS:  
— which will be difficult for us to implement. A number we have already started anyway, and have been in progress for the last couple of years. I would just like to say to the hon. gentleman that it is easy to talk about patronage, but I think I should remind him that it was this government which brought in the Public Service Commission to allow all Newfoundlanders and Labradorians a chance for work when they were qualified.

SOME HON. MEMBERS:  
Hear, hear!

MR. MATTHEWS:  
Prior to that you could not ever get a liquor licence in this Province unless you did certain things, which were sometimes not very pleasant. I would just like to reiterate, Mr. Speaker. They should not talk about patronage too strongly.

MR. SIMMS:  
Who was in the government then, by the way?

MR. MATTHEWS:  
Well, I do not want to go back that far.

SOME HON. MEMBERS:  
Oh, oh!

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

MR. MATTHEWS:  
Mr. Speaker, in talking about the allocation of recreational money in the Province, I can tell hon.

gentlemen that since I have been minister I have done my utmost to try and spread monies around this Province in the best manner possible. This year, in this budget, I can look at every hon. member over there, name their districts, and tell them that there will be recreation money in their districts this year. How is that for patronage, or whatever, Mr. Speaker? In every district over there there will be money spent in recreation this year, Mr. Speaker, and I do not know how they can say anything bad about that.

But that is a fact, and a lot of it is due, of course, to representation from some of the members opposite, some is due to delegations from various communities in their districts who came in and made good cases, very legitimate ones. We looked at it very fairly, Mr. Speaker, the same way as we did with the jobs in Catamaran, and tried to run things by the criteria, be fair about it and do the best we can under, as we all know, very tight and difficult financial conditions.

On motion, the House at is rising adjourned until tomorrow, Friday, at 10:00 a.m.