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# **VERBATIM REPORT**

**FRIDAY, MAY 8, 1970**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER:      Before we go into Orders of the Day, I would like to make a few comments concerning the situation which arose yesterday afternoon in connection with the motion that the House consider Item (1) on the Order Paper, which is Committee of Ways and Means and instead of the order which was called by the leader of the House.

At that time, with some hesitation, I accepted the motion to move to Item (1) on the Order Paper. I say again that I did this with some reservation, but I thought it expedient to do so because it was quicker. I accepted the motion, and we put it to a vote. Now since then, acting in haste and repenting at leisure, I have had an opportunity to look over all the authorities and the rulings that have been given, not all of them, but most of them, and I find that they are very rare anyway. Very rarely has this matter risen; particularly, in the Canadian House of Commons or other Canadian jurisdictions. There is a great deal of difference of opinion concerning what should or should not be done under similar circumstances. There is the one school of thought which relies on our section which was quoted yesterday: when a question is under debate, no motion is received unless to amend and then the operative part, under which we were proceeding yesterday or for proceeding to another order, and there is a considerable school of thought that this is the dominant rule, therefore, we could move from one order to another on a motion. That is one way of thinking about it.

The other rule in this respect is the one which states in our Standing Orders: "Government orders may be called and considered in such sequence as the Government determines." There is another school of thought which says this is the dominant rule and this was the one which they would follow. All of them agree, there is some discrepancy between these two rules, so much so, that the House of Commons recently, in order to clarify it for all time, changed their rules to read: "the Government orders not 'may' but

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Government orders 'shall' be called and considered in such sequence as the Government determines, which puts the matter in a different light altogether.

The various speakers who have ruled on this from time to time, have, while recognizing the discrepancy between the two rules under which they are governed and which we are governed, found that the first one, that is the rule whereby Government orders shall take precedence or may take precedence, is the one that should be followed. In ruling on that, the last ruling that I could find on this one was in October 23, 1968, the Speaker said then: "There may be to some extent a discrepancy between the two Standing Orders, but in the light of previous rulings, I have no alternative but to accept the interpretation which is being placed on these two rules by past speakers. I say this, because I feel that I will have to be bound by rulings on the same set of rules, exactly, in the House of Commons. All of the precedence that I have been able to find for it, establishes the fact that the Government has the right to call which ever motion they require on Government business day."

I say this for the information of the House so that we will not look upon yesterday's exception as a precedent and in future I will rule accordingly in the light of the authorities which I have just quoted.

#### ORDERS OF THE DAY

Motion, second reading of a Bill, "An Act Further To Amend The Department of Supply Act, 1966-67." (Bill no. 28).

HON. JOHN A. NOLAN (Minister of Supply: Mr. Speaker, in moving second reading, I would first of all suggest that in the first instance this would necessitate a change of name for the department, as members of the House have been informed. The Department of Supply have other functions assigned to them and as a result, it is proposed to have it renamed from the Department of Supply to the "Department of Supply and Services" and, of course,

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would have the necessary power and duties involved or conferred in other Government departments. However, there are other matters in this Bill that will be of interest to the House and that is in connection with the purchasing authority for the Department of Supply in one instance, for example, we will go into this in committee; it will give us the authorization to do certain purchasing for boards and other arms of Government. I might say at the very outset that this is something that has been arrived at in consultation with the boards concerned, for example, regrettably, my colleague the Minister of Health is not here, but officials from my department along with the minister and other officials from the Department of Health have met with such boards and one of the reasons for this is: that we are looking and looking very hard at bulk-purchasing rather than in dribs and drabs or bits and pieces which has often times, been the case in the past . Another item that I should mention for the information of members of the House, Mr. Speaker, and that is that we can, through a provision now in Federal Acts, have the Federal department to do purchasing for us on a master list. If anything, this would suggest that we would be arranging for yearly contracts rather than on weekly and monthly and where possible.

Now this is not in all cases possible for example, in some cases with food and the like, because with some perishables, it is necessary to order on a more frequent basis, but I am thinking of items that the Federal Government presently have on a master list, where they could, where large quantities are concerned, purchase for us and what they would do in fact would be to arrive at a price merely, simply at the price and we would then authorize the department or agencies concerned to buy but only at that price arrived at in the first part of the negotiating year. This could not be done, for example, as I understand it for any boards or agencies other than through a government itself, and this is the information we have from the officials in Ottawa where they are in fact doing just this for many

boards and agencies right now, but through the government concerned.

I might say that if we did do this, it would give us the opportunity if of being one of the first provinces and indeed not first to take advantage of quite a substantial purchasing organization. I think that, perhaps, I could leave it at that for the moment, Mr. Speaker, without prolonging explanation of this Bill, because I am sure we would want, perhaps, some debate on it and also to go into it in more detail in committee.

MR. JOHN C. CROSBIE: Mr. Speaker, the purpose of this Act, of course, is to create a Department of Supply and Services. There has been a separate Department of Supply and now it is proposed to include "Services." There are a few points, I think, that need to be clarified. Certainly, the minister should take the opportunity now to clarify for members of the House and the public. I believe, I remember hearing sometime ago that there was a task force or some group of officials from the Department of - I do not know if it is called, Department of Supply and Services in Ottawa, who came down I believe last summer to have a look at the purchasing procedures here in Newfoundland and to make recommendations with respect to the Department of Supply.

When the minister is answering, I wonder, if he would outline for us generally what they advised the minister should be done or what changes they recommended or what improvements they suggested and whether or not theirs is the kind of report that could be tabled in the House here, because it would be interesting to see. It may not be the kind of report that can be tabled. But if the minister could let us know, generally speaking, if they cannot table the report, just what their general line of advice was? I think it would be of great interest.

Now, if I remember correctly, the Department of Supply last year purchased around \$15 million worth of goods. There is an answer tabled to a

question here and the minister said that tenders were called, I think, in all cases and the awards were made to the lowest tender in all cases. I think the question asked if the order was in excess of \$5,000.

There is another question on the Order Paper which the minister probably has the answer to. I do not know, if he can give it to us this afternoon. We were wanting to know what other agencies does the Department of Supply act for in purchasing, apart from ordinary Government departments? Are there some Crown corporations now that the department is acting for or other agencies that are not straight line Government departments? That question has not been answered yet. I wonder if the minister can answer that for us, if he has the information.

Now, Mr. Speaker, there is one part of this Bill which I am a bit dubious about and that is the new section (9) of the amending Act which is to give the Government by order - the Lieutenant-Governor in Council by order can include among the powers, functions and duties of the minister, the power to purchase presumably for certain institutions, subsection (3) . In other words this Act is to empower the Lieutenant-Governor in Council to direct by order that the Department of Supply purchase for other institutions apart from Government departments and institution:is said to include: (a) any hospital.

Now in this Province, Mr. Speaker, there are a large number of hospitals which are owned by the Government. There are certain other hospitals which are now operated by Crown corporations which are owned by the Government such as the Janeway Children's Hospital, which operates the Children's Hospital at Pleasantville. There is the General Hospital Corporation which operates the General Hospital herein St. John's. There is the Grand Falls Hospital Corporation which operates the hospital at Grand Falls. Then there are other hospitals which are privately owned, really,

I suppose to Government owned, although they now get their operating funds entirely from the Government or just about; such as: the St. Clare's Mercy Hospital in St. John's; the Salvation Army Hospital in St. John's and Western Memorial Hospital at Corner Brook which are not Government owned or they are not Government owned Crown corporations in those cases. Now this amendment would say that the Lieutenant-Governor in Council as I gather, could by order declare that any hospital will come under the minister as far as his purchasing is concerned.

Now surely it cannot be intended that the Government should have the power by order to direct that St. Clare's hospital or the Salvation Army Grace hospital or even Western Memorial hospital must have all their purchasing done for them by the Minister of Supply. I can see that the Government, if it makes that decision, could require that hospitals operated by Crown corporations should have their purchasing done by the Government, although I think that would be a wrong move or I have seen no evidence to suggest that should be done. But, surely, it cannot be intended to give the Government power to say that private hospitals, as opposed to Government owned or Government owned/<sup>Crown</sup>corporation hospitals, should be included. The minister might clarify that.

Mr. Speaker, one of the reasons for establishing separate corporations for such hospitals as the General hospital is, I have always thought, because it would enable them to operate more efficiently, if they did not come under the direct control of the Government but were operated by their own independent boards and in case of a hospital, like the General hospital, it has been my impression that it would be more efficiently run or is being more efficiently run now with a good board of directors under the General hospital corporation, than when it came directly under the Department of Health and had to account to the Department of Health or the officials ~~there~~ for practically everything they did and one of the things that they should be more efficient about, I would think, in a large hospital like that is doing their own purchasing. It would seem to me that it is more

efficient for the hospital at Gander or the hospital at Corner Brook to do its own purchasing and also rather than have all purchasing done here in St. John's. Now I do not know whether the minister agrees or disagrees or has evidence to suggest - it may be the other way around. I would like to have the minister expand on that aspect of the Bill. I think one of the reasons for putting hospitals under their own separate boards - there have been a number of problems. (1) I think it helped them at purchasing. (2) Large hospitals should not come under the day to day control of the Department of Health, because the Department of Health has to supervise the whole Health service. It should not be involved in the day to day details of running hospitals. (3) There has always been a lot of trouble. There has been a lot of inefficiency mixed up with the Department of Public Works having responsibility for maintenance and repairs and in some cases construction, and the Department of Health in other aspects and the Department of Supply ordering all their supplies and goods. There is a terrific dichotomy there in the operation



and the operation of these large hospitals where three or more departments were involved. And unless I saw evidence that, this would lead to more efficiency or better control I would not be in favour, for example, the department of Supply taking back purchasing powers of the General Hospital Corporation, or of taking them over from the Janeway. Unless there was convincing evidence offered that this was more efficient would save money would work better than the system is now working. So I would like to hear the minister touch on that, also when he speaks when closing the debate.

I like the idea of the department of Supply becoming Supply & Services taking over transportation for example, I notice the department is taking over ground transportation, that is the department of Health used to operate cars and so on, I think the department is now going to take over all transportation and air transportation, that was recommended in a report made some time ago and I think it is an excellent idea that one department should operate all transportation services, very good idea. I think the department of Supply & Services is the right idea also, if there is not too much empire building or too much attempt to take back purchasing powers which may not be necessary. Now there is a certain matter in transportation which would probably is better to deal with in the estimates. Having to do with air transportation where I am not sure that the right move is being made. The estimates will give us a better chance to go into that whole situation. So, I agree with what is happening in the department of Supply and Services with these reservations which I would like the minister to touch on when he closes the debate.

MR. HICKMAN: Mr. Speaker, there are a couple of points in this Bill that I would like to comment on. The first point raised by the hon. member for St. John's West namely the principle is envisaged in new clause 9 of the Bill that is presently before the House. That Bill has to be, that clause must be read in conjunction with the clause that is now being amended and which was passed last year in this House being the Bill number 73, the department of Supply Amendment Act, and the first part of that section imposes, it does not give the Lieutenant Governor in Council an absolute right to decide that the purchasing power can be taken away from any other institution. But rather it

imposes on the minister an absolute obligation to prove conclusively that the institution from whose board the purchasing power is now being taken will benefit, that there will be a reduction in cost. It cannot be done simply because Government may want to get its hands on that business or alternatively because Government feels that it would like to have this great empire in the department of Supply, but rather the minister has to show that there will be a saving. And Mr. Speaker, I suggest to this House that in so far as hospital boards are concerned we have nothing to worry about in that field because the minister will never reach the position where he can satisfy government that it will be cheaper for government to buy than for a hospital board.

But I know of two boards/<sup>one</sup> that I served on for quite some time and the hon. the member for Trinity South is still a member of the Grace General Hospital Board and I am sure he will agree with me that that board still continues to purchase at a much cheaper rate than the department of Supply is ever likely to approach and this is done by very frugal management and very efficient and pencil sharpening bidding. And last year, April 1 of last year the Board of Management of the St. John's General Hospital came into operation and it has not assumed full responsibility for the management of that hospital.

Apart altogether from the tremendous visible improvement in moral at the St. John's General Hospital following the appointment of that board. And what took place Mr. Speaker, in that hospital following the assumption of office by the members of that board was something that was an absolute transformation. The staff suddenly realized that they now had a group of men and women who are closely associated with the board, government is getting more free time out of professional men and men expert in particular fields and they could possibly afford to pay for otherwise and that board is functioning very well. I do know, and I am sure the hon. minister of Supply will concur in this and will confirm this that since the Board of Management of the General Hospital took over there has been a considerable reduction, if reduction is the word in food costs at that institution, when I say reduction you may find that the figures this year is precisely the same

as last but I do not think it is I think it is considerably lower. But even if it was the same there is an annual minimum five per cent escalation in the cost of operating hospitals that you can avoid today with the cost of living on the move like it is. That board is doing a magnificent job it could be absolutely criminal if it was ever considered that be it the St. John's General Hospital or the Western Memorial or any of the other hospitals that had boards, that it was ever even thought of that the Government should take over the purchasing power, because apart from looking after the day to day operation and the wishes and the moral and the needs of the professional and paramedical staff and the staff generally of these hospitals.

One of the main purposes of having a board is to provide for the more efficient and more economical operation of the institution. And Mr. Speaker it has been proven beyond all reasonable doubt that these hospitals that are operated by boards are operated far more efficiently. I do not say this in a, to reflect on the permanent staff of the Department of Health, far be it, they have in that department a group of very dedicated men under the leadership of Dr. Miller the deputy minister. But the simple fact is that when you have a budget the size of the Department of Health and when you have hospitals all over the Province and when you have clinics and when you are responsible for operating so many health services that you cannot give the day to day intensive care and concern that you can get from a board. My regret is Mr. Speaker, but it is still my hope that the recommendations of the Brain Commission will be followed through and that we will see boards of management appointed for Gander and for the hospital at Stephenville. I think also Mr. Speaker, that there is a great deal of merit in taking cottage hospitals where they are in adjoining areas and I think particularly of the Burin peninsula where we have three cottage hospitals. I do not think that it would be necessary any more to have three boards of management in these three hospitals, they used to, my father I suppose for twenty years was secretary of the board at Grand Bank but I think that in the interest of -

MR. SMALLWOOD: To a point of order. Mr. Speaker this is merely a Bill to change the name of the department.

MR. HICKMAN: No. no. no, no it is not.

MR.SMALLWOOD: It is a Bill to change the name of a department and to set up the officers of the department and to define and so on and so on. It is not a Bill to discuss whether a hospital should be run by boards or anything of that nature it is definitely not Your Honour if you have read it. It has nothing to do with that.

MR.SPEAKER: I will just say this, the fact that there is a section in the Bill there is a portion of the Bill which possibly could be dealt with very adequately in committee but beside that there is a section dealing with purchasing and the hospitals being used as an example, hospitals using their right to purchase as they please or have their right decided for them by the Lieutenant Governor in Council. This is relevant, but at the same time I think if we go away from it, altogether and start in to the General Hospital's scheme in Newfoundland pretty generally well, then we may be ranging a little far afield and I would ask all hon: members to remember that and stay as closely to this business of purchasing as, which is actually the subject under discussion right now.

MR.WELES: It has been ruled upon.

MR.CROSBIE: It has been ruled upon.

MR.HICKMAN: The Speaker just gave a ruling.

MR.SMALLWOOD: Mr. Speaker, on that same point of order. It has not been ruled on. There was no ruling.

MR.SPEAKER: I just asked that hon. members would stay as close to the -

MR.SMALLWOOD: Mr. Speaker, if the Bill gives the Government authority to authorize the minister of Supply and Services to purchase for any institution other than straight government departments. That is not compelling the institutions concerned to use his services, if he should negotiate with them at their wish, and at their desire to do their purchasing for then he has no right now to do it. This Act gives it.

MR.CROSBIE: This is not a point of order.

MR.SPEAKER: I asked hon. members to stay as far away from it as they possibly could. Will the hon. members continue bearing in mind that I want them to get as close to the principle of this Bill as <sup>it is</sup> humanly possible.

MR.HICKMAN: The section in particular or the clause in particular, the main principle that is under debate in this Bill is contained in Clause 9, on page 7.

and clause 9 of the Bill that is before this House and the principle of the Bill that is before this House is designed, obviously designed, any child can see what is happening here, anyone can see what the design and the intent is. And the intent is that if the minister can satisfy the Lieutenant Governor and he must, the first duty is on the minister, he must satisfy the Lieutenant Governor in Council that it will be to the benefit of these hospitals and these institutions that they be brought within the purchasing power and the purchasing be done by the minister of Supply.

And what I say Mr. Speaker is this, that in clause 9 and where you have the principle and it is an extension and it is a different principle from what we have had heretofore. Because heretofore Mr. Speaker, the responsibility of the minister of Supply and the responsibility and the function of the department of Supply has been to do the purchasing for government institutions, and for Government, not to do the purchasing for hospitals that are outside the scope and definition of being truly government institutions and outside the scope of hospitals that are truly body corporates either by legislation or by the way that they were created such as the one that my hon. friend from Trinity South is a member of. And Mr. Speaker the point that I am making is this, that in the interest that the minister in deciding whether or not the principle the new principle set forth in this Bill should be implemented, surely must first take unto himself the responsibility of deciding whether or not in the implementation or in the attempt to implement the principle as set forth in clause 9, whether or not there is a great deal of merit in taking a group of cottage hospitals such as the three on the Burin Peninsula and do as Lord Brain recommended appoint a regional board for that area. A board that will be able to do the purchasing for these three hospitals on a competitive basis open tendering, public tendering and at the same time be able to do business on the Burin Peninsula and in that area. And that Mr. Speaker, is what the Bill is all about. And I would hope that the hon. the minister in closing this debate will be able to reassure this House and what is equally important reassure the volunteer members of the various boards of crown corporations

that we have in this Province that there is no intention, but no intention on the part of Government to take away from them the responsibility and the right to do the purchasing and to do it much cheaper and much more effeciently than any department of Government could ever possibly do. In so far as the other principle in this Bill as ennuunciated by the hon. the minister when he introduced it of mass purchasing, (that is not the word) of all purchasing for departments of government, this I understand has been proved to be quite satisfactory and cost saving in the Federal Government scheme of things. And if the Government of Canada would be prepared to act as the agent of the Province to do the purchasing in bulk for the Province bearing in mind that i in the department of Supply in Ottawa there must be public tendering. The tendering has to be opened in the presence of those bidding then I say go to it and do not waste any time.

But, Mr. Speaker, there is one other point in so far as the operation and supplying of goods and materials and purchasing of materials for the government is concerned. And it is a problem that is rather vexatious and one that I know that the present hon. minister of Supply has been doing a great deal of soul-searching and innovating and experimenting and trying to remedy and to try and find a cure. And the problem Mr. Speaker, is when you come to the tendering on foodstuffs for the institutions that are set forth particularly in clause 9 of this Bill. There are two complete differing schools of thought Mr. Speaker, One school of thought and I believe the Federal Government people fall into this category but I am not sure may be it is the reverse, says that there should be almost monthly tendering for food because it is perishable product.

On the other side of the coin people in government in this Province I believe have come to the conclusion that it is better to call for yearly tendering and to leave open the right to the supplier to increase his or her prices should the market so demand, and that is not tendering at all Mr. Speaker. If tenders are being called for the supply of ham and eggs to all government institutions for the year 1970 then I think it should be made abundantly clear to the suppliers that that contract is for one year, If the wholesalers increase the price, if the farmers increase the price, no matter what happens they are stuck with it. Because if on the other hand Mr. Speaker,

there is a substantial drop in the cost of production, if the primary producer is forced to reduce his price that does not reflect or very seldom reflects, in fact so seldom that it is not even worth talking about in the price to Government. And if, because this leaves itself open and the hon. minister is so conscious of this and he <sup>has</sup> made such a desperate effort to stop it that I commended him for it. This leaves itself open to shenanigans and manipulations of a person coming in and being low tender for the supply of meat to the hospital institution and then a month later coming in and increasing the price and blaming it on the wholesaler, or blaming it on the farmer. And that sort of thing inevitably leads to trouble, inevitably creates suspicion and the first minister of Supply that I know of whose is beginning to put his foot down on that is the present minister and I commend him for it. But so far as taking away the purchasing powers from the institution, such as hospitals that we have now it would be a very retrograde step in so far as purchasing in this Province is concerned.

We have had in this Province a couple of two or three very able scrupulously honest ministers of Supply and I put the hon. minister into that category and my friend on my right the hon. member for Bonavista North is another gentleman who did a first class job in that portfolio. It is a very dangerous one, it is a very sensitive portfolio and I do submit Mr. Speaker that the implementation and the approval of the principle in clause 9 of this Bill unnecessarily opens the door to temptation and certainly will not save these institutions one nickel in fact it will cost them a great deal more.

MR. SMALLWOOD: Mr. Speaker, when I invited the present hon. minister of Supply and Services into my Cabinet I asked him to accept the portfolio of general purchasing agent for this Government. Because of course that is what the minister of Supply is. He buys many millions of dollars worth of goods of all kinds for the Government, for institutions of the Government and departments of the Government and other activities of the Government he buys quite literally many millions of dollars worth each year. And the amount is increasing each year. And I gave him, he was I think the fourth or perhaps the fifth member of the House whom I have invited to occupy that position I think he is number five .

MR. SMALLWOOD: were five. I gave him a commission, a very special commission, and it was this, I said, you are a young man, you are a young politician, you have got a chance, I am giving you the chance to prove yourself to be a top ranking public man, I want you to take the Department of Supply and make it the most efficient in the Government. He said, I accept that challenge. And he has ever since been trying to meet the challenge. He has gone to enormous lengths to make an efficient Department of Supply or an efficient Purchasing Department for the Government. He has worked at it day and night. He has travelled to other provinces of Canada to examine their system of purchasing, and he has travelled to the Government of Canada in Ottawa to examine their system of purchasing. And at the very time that he occupied this office at first, at that very time, Canada's Minister of Supply and Services was the hon. Donald Jamieson, our own Newfoundland minister. And our minister went to Ottawa, by prearrangements with Mr. Jamieson to get the help of Mr. Jamieson, introductions and entree into Canada's great system of central purchasing and bulk purchasing, and central warehousing, and bulk warehousing, and not only that, not only Canada's system in Ottawa, but Canada's branch system in other places, as for example Halifax. I believe, that in Halifax the Government of Canada maintains a branch department a branch division of their Department of Supply with a large warehouse where goods are stored and stocked. In addition to going himself to examine, to make a study of the Canada system, and some provincial systems, the minister invited down to Newfoundland some high ranking officials of the Department of Supply of the Canadian Government, and these officials came here to St. John's and they spent some weeks, I believe, in the Department of Supply making a study of the way we do it, and explaining and describing the way they did it, so that our minister of Supply and his officials would become thoroughly familiar with the Federal way of doing it.

Now there are various techniques and various principles that can be used in this business. One of them is bulk purchasing, purchasing large volumes instead of small. Another is to go to the manufacturer, rather than



MR. SMALLWOOD: an agent, to the actual firm that makes the product and get the factory price. And when we were going over the budget, the present budget and the present estimates, I ask the minister, my colleague, the Minister of Supply if he would undertake to save a million dollars this year.

MR. MURPHY: Half a million.

MR. SMALLWOOD: Half a million was it? Well, no I did not, I asked the minister if he could undertake to save a million dollars. And he said, he would prefer not to give that undertaking. But he did give an undertaking and the undertaking he gave to me, was that he would save half a million dollars this year in buying goods for the Newfoundland Government. He has given the Cabinet that undertaking, that in the twelve months that began on April 1st: he would save at least half a million cash to the Treasury in buying goods. Now I am holding him to that, but I am holding him to something else. In addition to supply, being made Minister of Supply, we have made him Minister of Services. He is now Minister of Supply and Services, and services as the Act, I think, provides here, services include transportation on the land and in the air. And we are expecting him to save very substantial sums of money in that branch of his department, as well as in the Department of Supply. And I think he is going about it very efficiently, and I believe that he is going to save us substantial sums in that direction as well.

Now, Sir, the bulk of the saving will be in the purchase of supplies, and that saving would be made as I have already said, in a number of ways. One of these ways is bulk purchasing, purchasing a lot, a lot, not a little, but purchasing a lot of any given article. And he has had private conversations, off the record conversations with various bodies in this Province, telling them of what he is endeavouring to do to save substantial sums of money by getting better prices, better prices for the goods he buys, largely by bulk purchasing, largely by buying large quantities rather than small. And he has been asked the question, would you buy for us? And his answer was, well, no, I cannot. I have not got the authority to do it, as Minister of Supply and Services, I do not have the legislative authority to buy for you. I can buy for the

MR. SMALLWOOD: Government, but not for you. And there are private hospitals in this Province this afternoon, private hospitals owned and operated by private interests, not the Government, and not operated for the Government but owned and operated by private interests, and the House will know who and what they are, there are such private hospitals in Newfoundland this afternoon who have asked my colleague, the Minister of Supply, would you buy for us? Would you do our buying for us? If you are going to set up a system of bulk buying, and buying from the factory, at factory prices, and if you are going to set up a system of bulk warehousing here in Newfoundland, why would you not do our buying for us, you could save money for us, why would you not buy for us?

Now my colleague gave two answers, in the first place he said, I have no legislative authority to do so. The Act, my jurisdiction, my legislative authority does not permit me, it does not go that far. And the other answer he gave was this, if I bought for you, it would be only at prices that would satisfy you, prices at which you would save money, you would not want me to buy for you, if it did not mean a saving. But if it means a saving for you, doubtless you would want me to buy your buying, when I am buying goods for other places, for other institutions, buying in large volume, buying in bulk and warehousing in bulk, then no doubt I could save money for you, but at the same time, I would be saving money for the Crown. For two reasons, Mr. Speaker, number (1) the bigger the bulk, the finer the price. This is a commercial principle everybody knows, and everybody understands. And the second reason is this, that the Government in any case is footing most of the bills of the hospitals in Newfoundland. So say for the sake of argument you had four or five hospitals, not owned by the Government, not run by the Government, but privately owned and privately run, but financed to an enormous extent by the Treasury of this Province, let us assume a situation like that. If the Government buys the goods for those private hospitals at their request, at their request, if the Government buys the goods for them money is saved in three ways; that is if the prices are lower,

MR. SMALLWOOD: then it is a saving in three ways; (1) on the prices for those private hospitals; (2) on the prices for the Newfoundland Government institutions; and (3) on the amount of money those private institutions will need, because if they save money on their purchases that is that much less money that they need.

The purpose of this legislation today in part is to authorize the minister to do that should he be asked to do it. Now there is an Act, Mr. Speaker, 1966 the Act No. 36, and the title in the revised statutes of Newfoundland, dated March 25th, 1966, that was the day Royal Assent was given to the Act, and the Act is called, "An Act To Authorize The Rearrangements And Transfers Of Duties In The Public Service." And under that the terms of this Act, the Cabinet or the Lieutenant-Governor in Council may authorize the transfer of powers, duties or functions of any part of the public service or the control or supervision of any part of the public service from one minister of the Crown to any other minister of the Crown, or from one department or portion of the public service to any other department or portion of the public service. The Lieutenant-Governor in Council can do that under this Act, and the Lieutenant-Governor in Council may do this, he may amalgamate and combine any two or more departments under one minister of the Crown, and under one or more deputy ministers. So the right of the Government, the Lieutenant-Governor to assign from one minister to another minister certain functions, rights, powers the first minister has over to the second minister is contained in this Act passed in 1966. And this is done by governments all over the world, a minister or secretary in a government is given certain authorities, and the Cabinet decides that these functions or some of these functions could better be carried out by another department with another minister. And so an Order in Council is made transferring these powers over to the other minister or the other department, so we have the authority to do that.

I take it, though I am not sure on this, I am not clear on this, whether that Act of 1966 is of itself sufficient, whether it is self-sufficient, whether under the Act an authority of function, a power, a duty or control

MR. SMALLWOOD: having been transferred from one department to another, it then must subsequently be brought in and ratified in a Bill in this House. About this I am not sure. But I am sure of this that when a department that already exists by statute and every department of Government has been brought into existence by this House passing a Bill into Law, and creating that department, and when that has been done and the department is changed in the meantime by the Lieutenant-Government in Council then it becomes necessary to bring a Bill by this House to change the name, if a name change is in fact required.

Now it is certainly the intention of the Government in this clause 9, to give to the Minister of Supply and Services the right, the authority in behalf of any institution, any hospital, any board or commission or corporation or other body, incorporate or unincorporate, which is an agency or arm of Her Majesty in right of the Province or any corporation, not being one of those, and including without limiting the generality of the foregoing, any corporation managing any hospital whether privately owned or not, giving to the minister the right, if they wish to have it done, giving him the right to do the buying. But not I suggest, certainly we have no intention, and if there is any doubt about it in the wording of this clause, we will be happy to make any amendments that maybe necessary to put the matter beyond doubt, if there is any doubt, we want to put it beyond doubt, namely; that we have no desire to do anything more than give the minister authority to do the buying for an institution which wants him to do it, only if it wants him to do it, if Grace Hospital, for example.

For example, if Grace Hospital which is a private institution, a private hospital, privately owned, privately managed, if Grace Hospital seeing the minister develop a magnificent purchasing system, assuming he does that and this is what he is commissioned to do, this is what we have asked him to do, and this is what he is now attempting to do, seeing him do that, if Grace Hospital should say, well, we are buying a million dollars worth a year or two million dollars worth, or whatever it is, of drugs, dressings, surgical equipment and supplies and food, and clothing and all kinds of cleaning

MR. SMALLWOOD: materials and everything under the sun, we are buying so many hundreds of thousands of dollars worth every year, if you would do it for us, what can you get these things for? And so the minister shows them what he is getting these various things for, they see what they are paying for them, and they make up their own minds, they decide if it would help them to have him do their buying for them. Now if they decide that it would and he does it for them, as I say three things are accomplished; (1) that hospital is saving money in their purchase of goods; (2) that is that much less money that hospital needs, for that purpose at any rate, and if it saves money on that it might have so much more money for something else; and (3) If the purchase for that hospital added to the other purchases of the minister should help to build up a volume of bulk buying that will have to still further to reduce the price, then it is saving money for the Queen, saving money for the Crown, in other words saving money for the people of this Province. And this is what is back of this clause and nothing else. And if there is anything else, that would appear to be there, we are happy to amend that clause so that it will mean only one thing, that a private institution wishing to have its purchasing done for it, may have it done, that the minister shall have the right to do it.

Now with regard to other institutions that are not privately owned, if the Government

MR. SMALLWOOD (J.R.): Government. If the people of this Province are the owners of a hospital, let us say the Janeway, if the people of this Province are the owners of a hospital, let us say the General Hospital, if the people of this Province are the owners of a hospital, say the one in Baie Verte which the United Church is now managing for us at our request and by arrangement with us in our behalf. If the people of this Province own a hospital in Labrador City and it is being operated in our behalf say by the Salvation Army as indeed it is. If you have these hospitals in Newfoundland owned by the Newfoundland people through the Government, and paid for by the Newfoundland Government, if you have these institutions and they between them are buying say \$10 million, \$12 million worth of things a year. Each buying on its own, each remember now, each separately acting independently one of the other three or the other four or the other five. If you had that situation, and the minister in the interest of economy, because this House has to vote every nickle that those hospitals spend Mr. Speaker. The spending may be done by a board that this Government have appointed, but every dollar they spend comes, is voted by this House out of the public treasury of this Province.

If you have these publicly owned hospitals, spending many millions of dollars a year to buy supplies of all kinds, if you have that, and the spending of that is done by private boards appointed by the Government, and the minister when he gets his system functioning efficiently is able to make economies for this House, for the treasury of this Province, is able to economize in the purchase prices of the millions upon millions of dollars worth of goods that must be bought each year by those hospitals. Then pray tell me, what is the principle that says " the minister shall not have the right to do it." What is the principle, is there a principle here at stake.

We will come to the practicality of it, but first deal with the principle of it. If this House each year is called upon in the Budget and in the estimates to vote many, many millions of dollars each to those hospitals, public money, each year, they cannot spend only what they get, and what this House votes, what they get from this Government, that is what they spend and they spend many millions of it in the purchase of goods. What principle is it that says this Government shall not have the right to purchase those goods? What is

the principle? Somebody tell me by what principle it is wrong.

Now, come to the practicality of it. First let me answer the first question. There is no principle which says it is wrong, there is every principle which says it is the clear and bound in duty of this House to pass legislation which in principle gives the minister that right. That is the bound in duty of this House as the elected representatives of the people. It is the bound in duty of this Government to ask this House to pass that right, to give that right to the minister.

Now the practicality of it. I am told by the minister, the Minister of Supply, that he has looked over prices that are paid by the Janeway Hospital, and the General Hospital for many of their purchases. He has been most pleasantly impressed by the prices that they are paying. He has not been shocked. He has been surprised, but Sir, pleasantly surprised. They are doing very well, and there is no disposition on the part of the Government and there is no disposition on the part of the minister at all to rush in and take away the purchasing from those hospitals. No disposition but what disposition there is is this, that when, if, as and when he gets his own system functioning efficiently and parenthetically may I say, that he will never do that, he will never get it functioning efficiently if he fails to bring men of absolute and thoroughgoing skill and experience in to do that job.

It is again parenthetically very much his wish and desire and determination to do exactly that. Because, as a young politician with his life ahead of him, wishing to make a success of his political career, he is absolutely determined to make a great purchasing department of that down there. If when he gets that thing functioning properly and one institution after the other finds that it can do better by having its purchasing done for it by him and his organization, then he must have the right to do it, and having the right it becomes practical, but practical only if the system he introduces is in the first place skillful efficient and an organization of integrity, and second is continuing to be that way.

Now I have from the first day I took office as Premier of this Province, and I have laid down the principle with every Minister Of Supply, that there are two departments of Government that can bring a Government into fearful

disrepute. One is liquor and the other is supply. The purchasing department. And I have said to every minister, and there are two ministers in this House today who have occupied the office of Department of Supply, and they are witnesses to what I am about to say. There is another one who is in the grave, and there is one if not two others no longer in public life, but I have said to each one of them, the best politics you can possibly play in the Department of Supply is to play no politics. The Department of Supply can hang a Government. It can hang a Government, and I tell you why it can hang a Government. It can hang a Government because, you have untold hundreds of men, agents, commission agents, distributors, wholesalers, manufacturers agents. You have hundreds, upon hundreds, upon hundreds who are continually putting in bids. Continually first of all to get on the list of those who are asked for bids, and second then, put in the bids. Hundreds upon hundreds, and every business man will put in his tender and he will put in a tender which will give himself a reasonable profit as he tinks, and then he chuckles to himself and he says " ah ha, there is no one going to beat that price, I am going to get this order." He does not get it, and every order that is placed with any firm represents maybe fifty or sixty that did not get it.

For every firm that gets the order, every day there is a large number that do not get the order. Those that do not get the order are convinced in many, many cases that there is crookery, that there is conniving, that there is bribery, that somebody is having his paws greased. So I say, the Department of Supply is one of the two departments that can hang any Government. It is for this reason that I have always said to every minister as I have said to the present minister. The best politics you can play is not to favour this man or that man who supported the party in the last election, this firm or that firm that you hope will support it in the next election, that is not the best politics to play, that is suicide. That is stupid and foolish politics. The best politics in the Department of Supply is to play no politics. Play the whole field. Now favour, no favouritism, none. Get the goods at the best price, value for value at the best price you can find and have everybody on the list.

Now no matter how well you do it, if you put the archangel Gabriel in there as Minister of Supply Mr. Speaker, inside of six months he would be known as ten per cent Gabriel. Inside of six months if it took that long,



because, every disappointed tenderer, every disappointed agent and shopkeeper and merchant and business agent who did not get the order is going to be completely convinced that he has been robbed of it, that he should have had it. I have had case after case of men who came to me, phoned and asked if they could come and see me. I said "certainly come up," and only when they got in the office did they tell me what the business was. "Well I put in a tender the other day for such and such a tender called, and I did not get it and I know that I should have gotten it." "How do you know?" "I know because I quoted it at cost, I just wanted the turnover, look the firm I represent up in Montreal are getting a little fed up me, I am not getting enough business, so I put in an order, deliberately I put in an order at cost where I do not make a nickle so I had to get the order, and no sir, no Mr. Premier I did not get it." "That sounds bad, what was the order? What was it about?" He said "I have the number of the requisition." O.K., I have taken the phone and I have called down to the department to say, "look up requisition number so and so, and so and so, and get the tenders that were submitted and call me back instantly." This would be on the inter-com. In five, ten, fifteen minutes later, while the man sat there in the office the call would come back "yes Mr. Premier we have the requisitions." "Bring them up please." And they would come in the office and they have known only when they came in the office that such and such a man was sitting there.

I say "please let me see the tenders" and I would say to this man "this has happened at least fifty times, or maybe only forty." I do not know a good many times, dozens of times, and I have said to him, "now look sir, you have no right to see the tenders put in by other people, your competitors. It is unethical and it is wrong for me to show you the tenders put in by your competitors but here they are. Now I am not looking at them myself, but here they are. I have not looked at them, I have not seen them, I know nothing about them, I am handing them to you to look at." I have sat and gone on with my business while he went over the tenders and he ended up with an oath, he would not have believed it. He was one of the highest of the tenderers, not the lowest. "I do not understand how they can do it." he said. "I do not understand how they could have tendered as low as that, they must be losing their 3692

shirts." " Well," I said " maybe, maybe they are losing their shirts, but what would you have done if you had been Minister of Supply and you called for these tenders, and you got these six, or eight, or ten tenders or whatever the number was, and what would you have done yourself?" " I would have given it to the firm that got it."

What about that Mr. Speaker? That is what I mean when I say the best politics in the Dpeartment of Supply is not to play any politics. Now the hon. member for Bonavista North is not at his desk at the moment, he is probably within hearing of my voice. In any case, if he is not he will read it in Hansard, and if he does not some of his colleagues will tell him what I am saying now. I call him to witness, he was Minister of Supply for quite a number of years. I do not know howmany, but I ask him to confirm or deny that I said to him when he went in there, " I want you to remember that the best politics to play in that department is do not play any politics." I ask him to go witness to this statement I am now making. Namely that he had a completely free hand to run that department, to save all the money he could save, to get the best values he could get for the people of Newfoundland and to protect the treasury of this Province. He was there for some years, I do not remember how many year, three, four, five years or whatever it was as Minister of Supply, and in that period I suppose he must have bought \$100 million, easily \$100 million worth of goods in many, many, many thousands of individual orders that he placed. He was given complete and absolute freedom.

The present minister being a member of my Cabinet might not be regarded as an independent witness, but I ask him, now I am only being foolish because I know that no one will pay any attention to what he will say, but if he were asked I know what he would have to say if he told the truth. He would have to say what the hon. member for Bonavista North would have to say and that is that in the Department of Supply he has absolute carte blanche, he has absolute freedom to run the department in the best interest of the people of Newfoundland.

Alright, and if he does that, and with the help of Ottawa, and with a corp of specialists in that job, brought in here for the purpose he gets a real purchasing department functioning skillfully, efficiently, and honestly,

if he gets that done, why then should he not have the right. Why should this House not give him the right to do purchasing for other Crown Agencies? The Power Commission for example, the Power Commission which must buy many, many millions of dollars worth of stuff every year. Why not? The hospitals, the Government owned hospitals, why not? All the cottage hospitals, why not? If large sums of public money can be saved, why should not the money be saved?

Mr. Speaker, the needs of the Government, any Government in Newfoundland, Liberal or Tory. The needs of the Government for money are growing every day. The Government needs ever more and more money day after day, week after week, and year after year. Where is the money coming from? One way you can get money is to save it. A dollar saved is a dollar earned, and if you can save a million dollars a year down in the Department of Supply, in the purchase of goods and maybe another quarter of a million a year in the purchase of services, that would be one and a quarter million. Is it not better for the treasury to get one and a quarter that way than to get it by putting out that much more taxes to increase the burden of taxes on the Newfoundland people?

Mr. Speaker, I do not know how many more days I will be Premier of this Province. Whether it is 365, or 700 odd days, or over 1,000 days, or how many day I do not know, but I know that my days are numbered. I know that, I do not expect to be here another twenty-one years. If I am sure of anything in this life I am sure of that. That is what I am sure of, I will not be Premier another twenty-one years. I may not be more than another twenty-one months. I do not know, but this I do know, I know this, that I want to leave behind me a monument that no Government will ever dare to chip away. I want to leave a monument behind me that will be so good that no one would have the nerve to try to chip even a spall out of it, and that monument, many monuments if you like but here is one in particular I want to leave behind me. The Department of Supply that is efficient, an activity of integrity and efficiency and skill that will save many, many, many, many hundreds of thousands of dollars each year to the public treasury. It is better for the Government to have that money and not have it go out, it is better for the Government to have it, to have it to spend on education. To have it to spend on health, on welfare, to have it to spend where it can do most good. Let us save it in the purchase of goods, so

that we can spend it on other worthy purposes.

I want to leave that monument behind me, the monument builder is the Minister of Supply. He is building that monument for me, to me. His own name will be associated with it. His name, we will let his name go on say on the base, on the pedestal.

MR. MYRDEN: He will be able to read the small print I guess

MR. SMALLWOOD: It will not be too small a print, it will be a monument to Joey, erected by Johnny.

MR. MURPHY: Joey and company

MR. SMALLWOOD: And I mean Johnny over here

MR. WELLS: Nolan that is

MR. SMALLWOOD: That is right. I mean that Mr. Speaker, that is from my heart. That is from my heart. I want a great department of Supply, and this Bill will help to do it. I ask the House to give it unanimous second reading on the understanding that I have given, the undertaking I have given here, that if there is anything in this wording which would suggest that what we are asking the House to do, is to give the Government <sup>authority</sup> to move in on privately owned hospitals or privately owned institutions and compel them to have their buying done for them by my colleague the Minister of Supply, we changed that. But the right to do purchasing for our own hospitals, those we own, that we own and pay for, this House here owns them, and this House pays for them, and has to vote every nickle to them. Those hospitals if we decide that it will pay them, and pay the Government, because they are the Government, you cannot separate them from the Government. You can separate the ordinary management, the household management of it, you can separate that from the Government, from the Department of Health, I am not sure that I agree with that, but we have done it. I can live with it. If anybody else can, I can live with it. I am not sure we have done right. I am not one hundred per cent convinced that we have done right, but we have done it and I will live with it. I can tolerate it if everybody else can. I can tolerate having a great piece of public property, a vast institution if every stick and stone of it having been provided by this House of Assembly, having it run by private citizens. If the House can live with it I can live with it, but

it does not follow from this, it doe not follow from this that if in the general interest of the public of Newfoundland, of the treasury, of the public purse. If in the interest of the public purse of this Province, the public chest, if it is in the best interest of that public chest that the purchasing should be done for those hospitals that the Government owns and pays every nickle to run, every nickle remember, every single nickle comes from the Government, then if it pays us, and the public purse to do the purchasing for them, and not otherwise, not otherwise, and I am not sure that it will, because I am impressed by what my.....

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MR. SMALLWOOD: what my colleague tells me, but he has looked at their prices and he says they are pretty good. He says that - two hundred thousand, that is chicken feed compared with what can be saved I think. - I think the real cost of these great hospitals is not the food. It is not the furnishings. The real cost is the drugs and dressings and surgical equipment and surgical supplies. This runs into vast sums of money. Vast sums of money. I would like to see that tackled. I have asked my colleague when the House closes, would he get in on a plane and go over to Italy, and have a look at the pharmaceutical industry of Italy. Have a look at it. Just have a look at it, that is all. Go over and have a look at the pharmaceutical industry of Italy which is now doing maybe a couple of thousand million dollars worth of trade in the United States. Vast quantities of pharmaceuticals are pouring into the United States, meeting American standards, Government standards, pharmaceutical standards, medical standards, pouring into the US from Italy because they are able to produce a magnificent quality at a much lower price. I would like for him to go to the Soviet Union, and see what about drugs in the Soviet Union. The quality and the prices.

I would like him to find out, is it absolutely necessary for this Province to depend on a few big pharmaceutical trusts. Is it really necessary? Maybe it is, maybe it is. I am not saying - I am not sure. I am not dogmatic about this, but my mind is very open on it, and I would like to know, and I am asking my colleague if he can squeeze himself away from that office down there, which he rarely does. If he will go and check on it, but as I say, he himself tells me that the hospitals are doing fairly well, and he will not poke any nose in there, in the Janeway, or in the General, or in any of our Government hospitals. He will not poke his nose in unless he is first of all, absolutely certain, sure and certain that he will save money for them and for the public purse at the same time. I do ask support for the second reading.

MR. WELLS: I think this Bill has a purpose behind it. The original Bill was passed in 1966 and the amendment that was put to the House last

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year all had this aim in mind. These amendments have basically similar aims, but I am not sure that the picture entirely is pleasant and as nice as the Premier has painted it. As matter of fact, indications are to the contrary. I am not certain that it is to the contrary, but this is what the indications are. The Premier has indicated that he would like to leave a rather substantial monument behind it, particularly a monument founded on the Department of Supply as he just said a few moments ago. That no man would be able to knock any chips at him. Well I suggest to you Mr. Speaker, that the general opinion around this Province, and what I hear said to me, I do not believe ninety-five percent of it quite frankly, I admit that. But what I hear said to me around the Province, and forgetting ninety-five percent of it, that monument is about to tumble down, even if we only take five percent of it.

And maybe that five percent is not true. I do not know. I have no means of knowing with certainty. The Premier said if the Archangel Gabriel were made Minister of Supply within six months, he would be called ten percent Gabriel. That may well be true. The old adage applies that justice must not only be done, it must be seen to be done, and this is where the problem lies. The problem is inherent in this. A great deal of the minister's problems might be solved if tenders were open publicly, and a time was specified when tenders would be open. Then this gentleman that the Premier spoke about would not have any cause to come to his office and say, I bid on cost, with no profit whatsoever. Bid on cost.

And nobody would have any doubt to cast any aspersions of the gentleman who occupied that portfolio at the time, whether it happened to be the Archangel Gabriel or the hon. the present minister. This would, I would suspect, cure an awful lot of it, because for anybody, and I am sure other hon. members of this House have heard it as well. Hon. members on that side as well as this - you go about this Province anywhere and you will hear a goodly number of people talking about so and so being fed by fat

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Government contracts, and paying higher prices. I heard not too long ago, I do not know whether it is true or not, but I have heard it said, that in heavy equipment for example there is one price for the good customers of the heavy equipment suppliers. There is another price for finance customers, and then there is another price for the Government, and the Government price is the highest of all. Now this has been said. I do not know that it is true. But this is some of the milder things that is said, I do not mind saying to the minister. But I cannot verify, quite honestly a single one of them. I do not know with certainty on a single one of it. But there is an awful lot of suspicion about his department, and about particular individuals. There has been an awful lot of suspicion, and one of the ways to cure it - that suspicion, I suspect, quite frankly, that much or most of it is unjustified. One of the sure ways of curing it is to make it a practice, to call tenders for every total purchase in excess of say a hundred or five hundred dollars or whatever is a reasonable small figure. And not only to call tenders but to have those tenders open publicly, so that nobody has any reason to say, "oh yes, tenders were called all right, but then they called their friends and told them what the lowest tender was, and told them how much to submit a new tender for." This is a frequent thing that you hear. Look, I do not say it is right. Maybe it is. I do not put it forward as being right. All I am telling you is, you can hear people say this in any corner of this Province, and I have heard it hundreds of times. Now perhaps not a single word of it is true. If the minister will sit still - what I have been saying maybe the Premier has been busy talking to somebody else and has not heard. What I said to him, or said to the House through you Mr. Speaker, is that the Department of Supply in this Province does have a bad name - a large segment of the Province, and perhaps not a single word said about it is true. Perhaps not one word of it is true. I do not know. I can neither confirm nor deny anything



that has been said. All I am saying is it does enjoy a poor reputation throughout much of the Province. And one of the ways to cure this reputation

MR. SMALLWOOD: Is not that exactly what I said?

MR. WELLS: Oh, yes I agree.

MR. SMALLWOOD: Every order that is placed leaves fifty disappointed and suspicious.

MR. WELLS: That is right, that is right. Like the Premier said as long as we have this system if the Archangel Gabriel came down, he would be called ten percent Gabriel in six months. But one of the ways to cure it is to have them open publicly. It is a sure cure to the other thing, that I have heard dozens and dozens of times said about certain individuals, now I would not think for a moment of mentioning those individuals' names, because I think it would be grossly wrong for me to do so. But I have individuals named to me. They said yes, those individuals, no trouble for them to get government business. Tenders are called all right, but then those firms are called by somebody and told to redo their bid. And this has been said hundreds and hundreds of times, and other members have heard it I am sure.

MR. SMALLWOOD: Would the hon. gentleman ask his colleague if that is true for the five or six or eight years he was there?

MR. WELLS: I said that I do not know that it is true or not

MR. SMALLWOOD: Well find out if it is true. Ask if it is true.

MR. WELLS: The hon. member can tell me in a minute. All I am saying is it is being said whether it is true or not. It is being said. It is what is believed in a large part of the Province. And one of the ways to cure it is to have tenders open publicly. Now why not have tenders open publicly? If everything is as rosy and pink and wonderful as has been said, why not have tenders open publicly? Why not? There is not one reason why not. No possible reason why not. I have no reason in this world, and I say this in all honesty, to suspect that the hon. the minister is doing one thing in that department other than what he

should be doing. I have heard an awful lot, but I do not know if there is one iota of truth in it. I can neither confirm nor deny anything. I suspect that the hon. minister is doing his job honestly and sincerely. That is my suspicion of it, but I must say in fairness to the hon. minister there are a lot of people who say otherwise, but they have never yet proven it to me. But the answer is to have tenders open, to have tenders open publicly, that is one of the substantial answers.

There are a number of things, a number of answers to questions that have been given in this House, leave members I would suspect to have some doubt. There is one question that was asked earlier with respect to tires and a car for the hon. the Premier. I would be the first one to admit Mr. Speaker, the hon. the Premier should be provided with a first rate car. A top quality automobile to be chauffeured in or driven wherever he has to go. I do not deny that for a moment. I do not see a single thing wrong with it. It is as it should be. I would also say that that automobile should have first quality tires on it. As much as I would like and I say this frankly, to see the Premier cease to occupy the position that he now occupies.

I do not want to see him do it because he is driving in a car with a faulty tire. It should be first rate, first quality, top quality, no question about it. Nobody would deny it for a moment. But Mr. Speaker, all of those policemen and hospital workers and all of the others, and all of the people on welfare assistance and so on, begin to have doubts when the question is answered; yes we bought eighteen tires for the car last year. At a cost of \$1800. Now I am no expert on tires or any other form of rubber, but I buy fairly good quality tires. I do not like to take any risk of having a bad accident driving an automobile due to poor quality tires. And I buy fairly good quality tires, running between \$40 and \$50 per tire, and I think that is about as good a quality as you can get. Perhaps you can get better quality. But that is pretty good quality tire. I have had snow tires that I have used for three years, and I put a rather substantial number of miles on the car. Four tires

would certainly do me a year, even in forty or fifty thousand miles.

MR. SMALLWOOD: Would the hon. gentleman be interested in knowing exactly why?

MR. WELLS: Yes, but let me finish first, then maybe he can answer- but when this comes out this way, eighteen tires, yes, I want top quality, nobody denies that. \$1800 - what in heaven's name is done with eighteen tires in one year. Now this is one reason why somebody in a corner of a Province suspects that the hon. the minister is not doing such a good job. Maybe he is doing a great job, but with this kind of uncertainty in these things, it hardly leads one to believe that he is doing a first class job.

I have heard it said, and again I do not know whether this is absolutely so or not. I have heard it said for example, that the Western Memorial Hospital in Corner Brook, can operate that hospital - that Board is operating that hospital at a lower per bid cost than any other major hospital in the Province. Now I do not put that forward as fact, and I do not argue that it is absolutely so, but it has been suggested to me by on many occasions by people who should know, on whom I think I can reply, that their cost per patient day, or whatever their standard of measurement is, I believe it per patient day is lower than any other major institution in the Province. Now maybe that is because they have a lot of second rate facilities there and that contributes some to it, but I do not think it is all of it.

And that has been operated by a Board since its inception, and a Board to whom a lot of credit must be given for their efforts over the years. Their efforts of purchasing and otherwise, so that I am not all that anxious when I see that, when I hear what the comparison is between Western Memorial Hospital in Corner Brook and the General Hospital here, when it was run by the Department of Health directly. When I hear estimates at least of what the per patient day cost are in both those institutions. I am not so anxious to have the hon. the minister do the purchasing, if

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MR. SMALLWOOD: Now will the hon. gentleman let me answer him on the tires?

MR. WELLS: Just a few minutes. I do not want. Yes, dispose of it at least.

MR. SMALLWOOD: The Government owns an Imperial Chrysler car which they let me use. They own the car. They buy the tires. They buy the gas. It is strict Government. Not me, not personally. And the car changes every year. And it has two sets of tires every year. It has a set of summer tires and it has a set of winter tires - snow tires, four. Four snow tires, two front, two rear, and two spares. That is six tires twice a year.

MR. WELLS: It comes with a new set. It starts out with one new set when you get it.

MR. SMALLWOOD: No. These are taken off and put on other cars for less important people. For the important person they think that he should have better tires, and so they buy double eagle, which are said to be the best tires on earth. I do not know. I do not know anything about cars. I can steer a car and that is all I know about a car. They say that double eagle tires are the best on earth, and they cost somewhere around eighty odd dollars each. And they buy six of these for snow tires in the winter, and six for summer. That is twelve tires. Then they are sold with the car. When the car is sold and a new car is bought, the tires go with it, and new tires are bought for the new car. And if the car in the same financial year, if the old one is sold in a financial year, and a new one is bought in the same financial year, that is two cars in the one year. And there is that many tires. I think that is what it is. Until the question was asked and the answer was tabled here, I did not know what the tires cost. I did not even know the names on the tires, but I have learned since they are double eagle, and the other day Saturday, one that was one week old blew out on me. I was driving

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myself. But it blew out in little small pieces of rubber scattered over the Trans-Canada Highway. Well there is a guarantee telling me they will replace that tire for nothing, I hope.

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MR. WELLS: Was the Premier surprised when he discovered the answer, when it was prepared?

MR. SMALLWOOD: Yes.

MR. WELLS: The number of tires.

MR. SMALLWOOD: Yes, greatly surprised. But I knew immediately or I thought I did what happened - two cars in the one year overlapping a year.

MR. WELLS: Right. But here is what I mean. When that answer was published in the paper and heard on the radio throughout this Province, somebody said, "where did those tires go? -Who got those extra tires? It is impossible to use that many tires in one year." Without that explanation that is the natural, normal response. Without tenders being opened, publicly, it is the natural, normal response to think that the Minister of Supply or the Government, as a whole, are directing all the choice business to their friends who are making a clean up and that is the general consensus of opinion. A large number of our people are of that opinion. Like I say, I have no evidence one way or the other, not a shred. I say that in all honesty, but because of the system we are using that is the general consensus of opinion throughout the Province and if the Premier does not want his monument chipped away or falling down, this is one of the steps that has to be taken. Tenders must be open in public so that fairness to all must not only exist, it must be seen to exist. It must be seen to be the situation so that no person can have any justification or any reason whatsoever to cast aspersions on the hon. minister or the Archangel Gabriel, either one of them, whoever happens to hold the portfolio.

The Premier has already indicated that the Government are quite prepared to change this legislation to cover the situation, if the Lieutenant-Governor in Council has the right to order that any private institution have its purchasing done through the minister.

MR. SMALLWOOD: If the Bill says it will.

MR. WELLS: If the Bill says. I can tell him from a legal point of view that that is what the Bill does day. Again there is one of those queer quirks in this one, Mr. Speaker. I cannot understand how it got through, because - would he imagine that it could have been intended.

MR. SMALLWOOD: If we have that right - if the minister has that right to buy for a privately owned hospital, whether they like it or not, why not buy for Bowring Brothers while they are at it?

MR. WELLS: Let me tell the Premier something..

MR. SMALLWOOD: And Bowaters.

MR. WELLS: The Act now permits them to do just that. The way it is worded legally, it permits the Governor in Council to order that the minister shall buy for Bowring Brothers or Crosbie and Co., or Bowaters or Newfoundland or anybody else. That is the way it is now worded.

MR. SMALLWOOD: That he shall?

MR. WELLS: Yes the Lieutenant-Governor in Council may order that the minister shall do it.

MR. SMALLWOOD: I would like to see it there.

MR. WELLS: We have to go back to the 1969 amendment, 8 (b) and the gist of that, without going through the whole thing, Mr. Speaker, is that the minister - the Lieutenant-Governor in Council may by order include among the powers, now this is the part that is being amended here, functions, duties of the minister, the purchasing or otherwise acquiring of supplies required by any institution in the Province to be specified in the order, which is not a public institution referred to in Section (8). Now Section (8) in the main Act, which was passed in 1966-67, refers to a public institution and goes on to define what it is, that is under the administration of the Government. So 8(b) the amendment passed last year in 8(b) authorized the Lieutenant-Governor in Council to order that the minister purchase all of the supplies required by an institution in the Province to be specified, which is not a public institution referred to in Section 8 but which performs any

function which the Lieutenant-Governor in Council considers to be a function, the carrying out of which is in the public interest. Now, as it stood last year, the Lieutenant-Governor in Council could order that the minister would buy for any institution, whether it was public or private, where the Lieutenant-Governor in Council considers it to be a function, the carrying out of which is in the public interest. The Red Cross, Cancer Society, you know, could have come under it.

MR. SMALLWOOD:    The Iron-Ore Company of Canada.

MR. WELLS:    Not under that section. I do not think institution, under that, as it was last year, could have been so broadly interpreted as to include private enterprise. That could not have been done last year, but now what we have here this year, the amendment that is now before us in Clause 9 of this Bill does just that. Again it must be a mix up in wording, because it says for the purposes of subsection (1) institution includes: any hospital (a) any hospital (b) any board, commission, corporation or other body incorporate or unincorporate which is an agency or arm of Her Majesty in the right of the Province or is carrying out any function on behalf of or any function which is usually carried out by Her Majesty in the right of the Province. (c) Here is where the problem lies. Any corporation not being one referred to in paragraph (d) so that is other than a Crown corporation or a Crown agency referred to in paragraph (d), any corporation including, without limiting the generality of the foregoing; namely, any corporation and that is the generality, any corporation and that includes but so as not to limit the generality of the phrase, "any corporation", it includes any corporation managing any hospital whether privately owned or not.

Now amongst other things, it includes, as well as, any corporation, the general phrase. It includes "any corporation." It is purely on the legal wording. I cannot conceive of it being intended, but I do not know what is happening. Last night, we had an incredible display which I am sure could not possibly have been intended. I think I would have to have a



good many tongues in my cheek to stand here and suggest that the Government intended to create the situation they did last night with the N. T. A. administrative officer. It do not for a minute accuse them of doing it. It is just too obvious to do it, but the thing that I cannot understand was how it could get this far like this. How that Bill last night could get that far like that and how this one today could be such, so that any corporation, Bowaters included, any private, little corner grocery store corporation, the minister would buy for him by order, if the Governor in Council considered it and it is in their discretion solely to be a function the carrying out of which is in the public interest, they consider that to be the case, the minister can do it.

Now I cannot really believe, Mr. Speaker, this is about, I would say the eight or ninth instance in this session of the House; there were at least a half dozen or more Acts before this - Bills before this that had similar broad powers that on the request of the House on second reading, agreement was reached that it would be altered. Well the same thing has happened again, and I do not know whether it is the draftsmen, whether it is the proposers or whether indeed the Government are really trying to sneak through this all powerful situation. I am beginning to be a bit suspicious. There is beginning to be too much to be a coincidence anymore, but that is, in fact, what is in that Bill.

Now having heard the hon. the Premier speak on second reading on this, I think it is a fair conclusion to say that that could not possibly have been intended. One certainly could not conclude from his remarks that that was intended to be the case. He made it quite clear that if that was possible or any similar thing was possible indeed, if it were possible for the Lieutenant-Governor in Council to order that any private hospital corporation do its purchasing through the minister, it would be changed. This is was his undertaking he gave before he sat down.

MR. SMALLWOOD: Not to enable him but to compel him. To compel them to make him..

MR. WELLS: Yes, compel them, or whether that he be enabled, of course. but not that the minister be able to compel. That is right, but the way it is here now, not only can he compel any hospital where the funds are provided out of the public chest..

MR. SMALLWOOD: The Tory party, for instance.

MR. WELLS: The Tory party. That is right.

MR. SMALLWOOD: The Tory party. We could have the minister do their buying for them during an election.

MR. WELLS: That is right.

MR. SMALLWOOD: Boy, what a job that would be.

MR. WELLS: What a job that would be. May be the Tory party will be all for it.

MR. MURPHY: We need the money.

MR. WELLS: May be the Tory party will be all for it.

MR. SMALLWOOD: Places such as the Burin district and Fortune Bay, what a job.

MR WELLS: Seriously, this is what is in the Bill at the moment. I do not think much more needs to be said, but I do want to draw the attention of the House to this fact that it keeps recurring. There is too much now to be coincidence; especially, after the glowing terms that the minister used last night. I do not want to refer to another debate but this has become now a problem, I think. I do not recall in the three previous sittings that I was a member of this House - I do not recall this thing happening with such unbelievable frequency, this broad power and the kind of state we are creating, if they'dáá go through.

Now it has been clear in each case that there appeared to be no such intention, but again when the people see this and see this happening, they begin to have doubts and I think we are going to have to convince them otherwise,

if it goes through very much more. I agree, Mr. Speaker, that a centralized Department of Supply to do central purchasing for the Government's needs and all of the needs of agencies acting on behalf of the Government is desirable but only in certain circumstances, if it can be clearly shown that such a central purchasing division can purchase cheaper than the other agencies or departments involved. If that can be shown, then I think there is an obligation on the minister to take whatever step is possible to do it, if that can be shown and there is another thing that must go with it, and I do not think the Premier can challenge it. Everything possible must be done to erase any doubt whatsoever about the integrity of the minister who occupies the portfolio and the men who work under him. Everything must be done so that there can be no reason to doubt that minister's integrity or the integrity of the people who work under him and that, Mr. Speaker, the first step in that is calling of tenders for every purchase over and above a very small amount like a \$100, or \$200 or \$300. It costs a certain amount to send out tenders so if you are going to buy ninety-two cents worth of pencils, it is hardly worth spending \$50 on a tender.

MR. SMALLWOOD:      What Bill is this?

MR. WELLS:      Supply.

MR. SMALLWOOD:      Are we still on that Bill?

MR. WELLS:      Yes we are still on that Bill. The Premier should listen, instead of speaking to somebody else, when other members are speaking, then he would know.

MR. BARBOUR:      We are talking very important business.

MR. WELLS:      It has to be. The hon. member is not permitted to speak. He is not in his place at the moment. He should not really say anything.

MR. BARBOUR:      I am talking to the Premier.

MR. SMALLWOOD:      Big chief not the little one.

MR. WELLS:    May be the hon. member has his eye on the Department of Supply and has gone into consultation.

MR. BARBOUR:    I have much experience.

MR. WELLS:    Mr. Speaker, this is fundamental. If and I think the Premier's aims for the Department of Supply are noble. They are good and basically they are the way they should be, but I say to the House, Mr. Speaker, that those aims cannot be achieved under our present setup, and they are certainly not being achieved because the Statutes or whatever it is, the chunk of concrete that is there now, is chipped pretty badly at the moment. May be it does not deserve to be chipped. I do not say that that is so, but I am saying in fact it is. May be it does not deserve it and until the Government decides to change the policy and establish for all so that there can be no doubt that the Department of Supply is operated with complete integrity and honesty, then ministers who occupy it, the hon. the gentleman who presently occupies it, the hon. member for Bonavista North who sits on this side of the House and formerly occupied it. All of those men will have aspersions cast upon them unnecessarily until we have a system of opening tenders publicly and calling tenders for everything of any reasonable amount and this, Mr. Speaker, I suggest is one of the the things that should be in this Act, to provide for that, to require that to be done and then we would really be getting forward a step and really making sure that there was no hanky panky going on and making sure that nobody would have any reason to say that there was.

I can support much of what is in it, particularly, on the undertaking of the Premier that Clause 9 will be altered to put it right, but I would ask the Government to take into consideration the things that have been said.

MR. EARLE:    This comparatively simple Bill has already provoked a great deal of discussion so I will not dwell on it at any great length. It does

seem to me, however, that I should say that the hon. minister who presently occupies the post of Minister of Supply, it has been my experience in dealing with him - I have every faith in his ability to do a good job, his thorough honesty and purpose in doing it, and I think he will do a good job, if he is given a completely free hand. I am sure that his intentions are strictly honourable. He has the ability, and I have no hesitation in giving him credit for it.

There are just one or two cautions, though, Mr. Speaker. The minister, as good as he may be can only be as good as the staff he has with him. I think the Premier already says this, that he needs the very best men. Now this is not a reflection on his present staff, but in this highly complex business - it is a highly complex business and there is a need a great need of real experts in the field, because there is nothing, absolutely nothing in which there is more room for errors and mistakes, some deliberate, some intentional and some not intentional. But this great danger of over-simplification in all of this thing. The Premier made a statement himself today that bulk-buying was the answer. No this in itself is a fallacy. Bulk-buying is an answer to a certain point. The contract of purchase is far more important than the bulk-buying. In most companies that the minister may be dealing with, you get to a certain level of purchase and that is where it stops. You buy up - you can get nothing by going any further.

Now some of the largest corporations in North America buy in comparatively small quantities, but it is their contract of purchase which is important. This is clearly outlined. The buying in bulk is only good on a rising market. We must buy only in bulk on a rising market when there is a danger of prices going up, but if there should be a recession in price, you are far better advised to buy cautiously and in smaller quantities; similarly the question of quality, which I do not think has always been looked

on in the past in purchases by Government, is equally as important. I know from experience years gone by that one of the largest suppliers to institutions - they had a catalogue that thick of food products, and I venture to bet that the Minister of Supply, in those days, would look at the catalogue and immediately throw them in the waste paper basket. They looked at the prices, and they would say that these prices are crazy. They are mad. They are not worth anything. They would go in the waste paper basket. But what many of these people did not know<sup>was</sup> that these were specialists in the field who from portion control and what was gotten out of these goods, were far greater value than some of the trash that was being bought at a much lower price.

There is one section of Canada which is noteworthy for producing very, very cheap items but the value is simply not there. A very simple example for instance - what is the point in buying a very, very cheap meat product in a can, if there are two ounces of meat in it and sixteen ounces of gravy. It is better to buy fourteen ounces of meat and two ounces of gravy and this sort of thing has been going on for years. This is where the minister needs most extreme care and help in his operation. It seems to me that in the discussion on this so far that this is a Bill which should have given the very least discussion, because I am always a little too suspicious of he who protests too much, has something to hide. It should be taken - it should not be necessary for discussion of this type to take place in this House today. It should be beyond question that the purchasing arm of the Government was completely free of any stigma or stain, that we would not have to get up here and defend it in anyway at all. Everything should be so completely open and above board that there would be no need at all for anybody to make lengthy statements on the past history or the present operations of the department or anything of that sort.

I feel that when too much is said, there is altogether too much to be covered up. Well the less said the better sometimes, in a case like this.

· May I ask the minister just one or two, when he is replying to the second reading of this Bill, the question on the transfer of services to other departments. There is always an item in his Estimates where heavy amounts are transferred to other departments for services rendered and supplies given. In an instance, just to take a particular case, like the Bulletin which was discussed yesterday by the hon. Minister of Mines, Agriculture and Resources where

MR. EARLE: where a special pamphlet was prepared, for say limited distribution, and how limited we do not know, but certain distribution was to be given to that pamphlet. The minister said that the cost was very, very small, he <sup>that</sup> laughed / the point was even brought into question. But I wonder in the figuring of these costs and the transferring of the charge to the departments concerned, is the fact that there is a great deal of labour and so on goes into preparation of this properly broken down, and the department charged with a share of that? For instance, I have known on many occasions where a certain rush job had to be done, everything else in the printing department was stopped, and everybody was brought back at overtime, and this job had to be got out for some particular purpose, what about the overtime that these people worked, and the cost of that particular issue because it was required immediately? There seems to be blocked provision here, but I wonder how accurate that is? I wonder do the departments in reality bear their fair share of the cost of these things? This in itself is a great halo for the minister, because I think he could shift a lot of the burden of his own department and the expense of his own department on other departments where they rightfully belong. And at the same time it would be of much greater value to the public and to us on this side of the House in asking questions, if we are sure that each division of Government was bearing its fair proportion of these costs.

Mr. Speaker, just to come back for a moment to the question which is being discussed at some length here today, the insinuations which are sometimes thrown at the Minister of Supply and that Department in general. There was a question asked in this House earlier in the session having something to do with garments, I was not familiar with the operation, so I did not know if the answer was correct or not, but the following day I was stopped on the street by a gentleman who said to me, why did you not pursue the question further? I said, what do you mean? He said, these garments that you are talking about have been brought into this country with a certain label on them, the label has been taken off and other label put on them and the price is put up forty percent. Now I do not know, if this is correct or not. But if it is correct, we should know. This is certainly not good for us.



MR. EARLE: These are the sort of things which I know the minister is going to tackle, and he has real problems on his hands. He perhaps has a history of carelessness or inefficiency or ever worse to overcome. But if this Bill succeeds in giving him the freedom, complete freedom to do what it says it can do, and if it does result in tremendous saving to the Government, I for one am certainly all for it.

MR. H. STRICKLAND: Mr. Speaker, my comments are not going to be very long, but being one of, I believe, three members of this hon. House, may be interest when I am talking of three who happen to be associated with the Boards of Management of two different hospitals in the Province, the Hon. the Speaker, himself I believe, as well as the hon. member for Bay-d'Veerde, are members of the Boards of Management of the privately-owned hospital at Carbonear. And I happen to be a member of the Board of Management of may be the largest hospital in the Province at the moment, the Grace General Hospital in St. John's. Somebody may want to question that statement, but I suggest that if facts and figures were checked that may be you would find that the Grace General at the moment has the most beds of any hospital in this Province.

And I just want to say this, Sir, that if the principle of this Bill as set forth in section 9 is for the Department of Supply of the Government to assist members of the Boards of Management of Government operated hospitals and/or privately owned hospitals to save money in the purchasing of materials of any description that is so badly needed in the successful operation of any institution then I say, Sir, that this is a good piece of legislation.

And having said that, I want to say something else, and this thought should never, never be forgotten that at no time can a Board of Management of any hospital substitute quality for price. There are times when quality has got to take first consideration, and it must be left to the Board of Management to reject at anytime, anything that they consider substandard. But if on the other hand the Department of Supply can assist Boards of Management to save money in their purchases, then I say all power to the Government for bringing in this legislation. And I would go further than that, and I would say that any member of a Board of Management of any institution who would reject this offer from the Government, they got no business to be a member of a Board of Management of any hospital, because we find ourselves

MR. STRICKLAND: in this predicament at all times, we have not got enough money. There are so many vital essentials that we need money for, and if we can save a thousand dollars here or five thousand or ten thousand dollars somewhere else, then we would be absolutely foolish and stupid, if we would not go along with the Government to try and save money providing we can maintain quality, that is vitally essential, and the Board of Management must have the last say on quality. If the Government through the Department of Supply can assist, and I say assist, Boards of Management in their purchases and save money, could I make a suggestion, that whatever money is saved in any institution in this way through the assistance of the Department of Supply that money would be left with that institution for some other essential service that is so badly needed in the institution.

I am all for this legislation providing, it is to assist and I go along with it one hundred percent.

MR. A. MURPHY: Mr. Speaker, I am not going to be too long on this Bill, I think it has been discussed at some length, but I am very happy indeed to hear that the department is now going to operate efficiently. That one particular item was left out, I think, the hon. member for Humber East suggested it would remove some of the remarks that are being passed about this department, if tenders were open in public. I remember when I told the story before, where I was in New Brunswick and there was a big blackboard there and tenders were opened to everybody and tenderers are present at the opening. It is so significant, Mr. Speaker, that the opposition over the years have been asking questions, have tenders been called? If not, why not? so on and so forth. And it struck me very forcibly on, I do not know what day it was, but a couple of days ago, a question to the Minister of Supply directed by the hon. member for St. John's West, with reference to tenders for the transport of miscellaneous supplies of packages, cartons, etc. The answer was there were fifty-five tenders received, three tenders were awarded, I will not mention the names, one was for \$3600; one for \$1500; one for a \$1040, which makes a total in my figuring is \$6140 as the total amount of the tender. And the hon.

MR. MURPHY: minister was quite proud of this, and he said, we save from \$14,000 to \$16,000 on calling this tender, I noted it here, now here was a tender for \$6,000 on which this Province saved \$14,000. Is there any wonder, Mr. Speaker, that over the years so much criticism has been levelled at this department. This is actual facts, this was only the day before yesterday, and I just about fell of the chair, were we can save \$14,000 on \$6,000 worth of purchases, and I think of the millions, and millions, and millions, and millions have been spent, in the name of heavens we would be able to start another province on what we would save. Well at least there are <sup>an</sup> awful lot of demands being made that we have no money for, that I think we could meet, if the thing was done efficiently.

So, we are going to have this department reorganized, but unfortunately everybody is still going to be in the dark as to how many tenders were received. Those who submitted tenders have no right to know, which I feel they have, they will not have the right to know, why Mr. X got it, instead of Mr. Y, the Premier has quoted where someone quoted at cost, I have had these things. I have had phone calls on products that were pretty well standard across the board, and they did not get them, because their price was too high. But if he knew that someone else was quoting on the same article, he would be satisfied, I do not think he would be phoning members of the House. I know we are not the only ones get them, I bat you on the other side, as the Premier said, he has forty or fifty people come. So why do we not do the thing properly? Let the people in and see what is happening, what have we to hide? If we have nothing to hide, let us open the tenders in public. I think that is the answer to all this criticism, justified or unjustified. Let us go the whole hog. We are using the peoples money, and every taxpayer in this Province, in business, has as much right to get Government business as anybody else, and if he is not getting it, he should be aware of the reason why he is not getting it. I think, this is very, very important, I do not see any objection to it. It is done in many provinces, I do not say it is done in all, but I saw it in operation in one, and I was so pleased to see the tenders were opened and put on a big blackboard, there

MR. MURPHY: were people sat there in the audience, it was public, so and so, so and so. We know it is depending on quality too, you do not always give it to the lowest tender, we are aware of that. Regard to services I do not see services as such set out in the Bill, as to just what they would cover, the Premier has mentioned transportation, I think, sea, land and air, I do not know if there are any other services that this department is going to supply.

AN. HON. MEMBER: Perhaps you might be able to go to the moon yet.

MR. MURPHY: There may be many other forms of services that will come under this department. I do not know if they are going to the experimental farm or not, but perhaps the minister might in closing the debate tell us what other services come under his department. But, Mr. Speaker, I just cannot emphasize too strongly, if you want to avoid criticism of everything give the people all the facts, do not give them seventy-five percent of it, give them all the facts. If there are tenders, if fifty-five people tender for this, apparently they were very much interested in getting it. There were only three who got it, where fifty-two were disappointed in getting it. But if some fellow comes to me tomorrow, and phones me up from Placentia, were one chap down there got about \$3600, he says I quoted \$3400, why did I not get it? Well, I would say, boy, I do not know, you should have gotten it possibly. Were you present at the opening <sup>of</sup> tenders? No, I was not invited.

MR. FRECKER: Were price and delivery the same?

MR. MURPHY: I imagine, Mr. Speaker, they are set out here, you know. Well this is only delivery and packages, so I do not presume you would have a Chrysler compared to a Chev or anything like that, you could deliver it in any type of wagon so long as you would deliver it. But that is all I would add to the debate, if I had added anything, Mr. Speaker, is that very fact were we can save \$14,000 on a tender that costs \$6000.

Well, when we get on the roads, and some of the public works and a few others you can see where there will be many millions of dollars saved over the years, this is in actual fact, and it is there in writing, I took the answer as the hon. minister gave it. So perhaps we have a great minister in the Department of Supply and Services, I have great respect for him and I certainly hope that, if we carry on like this, and this is only the first of

MR. MURPHY: the year, where we can see in twelve months time that next year our estimated surplus is going to be way, way out, there is going to be millions upon millions there that will be in surplus due to savings, and let us not increase taxation or anything else. And I think that is one of the answers to proper Government is, as the Premier says, a dollar saved is a dollars earned, and there is another one, you can make your dollars have sense, and that is very important too. And if this is followed I think we will have a very good year this year.

AN. HON. MEMBER: Inaudible.

MR. MURPHY: Broad enough to cover the university in this section here. I did not go into the legal end, I am not versed in that type of it, I am only talking about the practical end of it where I can take a dollar out of my pocket and spent it, and hope to get a hundred cents worth of value, which I am discussing at this time.

Mr. Speaker, as I say, I am very happy to see the department, with no reflection of course, on any of the past ministers. The Premier has thrown out to challenge to corroborate the facts to all the former ministers, and I think the hon. member for Bonavista North was not in his Chair at the time, that everything was done properly and there was no mention at all or no possibility that certain people got certain tenders, I mean we questioned it on many times, and they had some as high as three-quarters of a million dollars with no tenders called, and these are some of the things I think that call for questions and why we ask the question, were tenders called? My hon. colleague here suggested, there should be no need because tenders should be called for everything, and the tenders should be opened in public, and then there would be no need to ask the question then on the Order Paper, were tenders called? And did the lowest tender get the contract?

MR. W.R. SMALLWOOD: Mr. Speaker, I rise to support this Bill, and before we close this debate, I wonder would he answer this question. I would suggest, Sir, that if this Bill does not give the minister authority to purchase on behalf of municipal councils and community councils and rural

MR. SMALLWOOD: W.R. development areas that he be given the authority to do so because in the run of a year there is quite a considerable amount of goods purchased by the various municipal and community councils in Newfoundland and rural development areas. And if all this purchasing were combined under the minister the cost to the taxpayers in the various communities would be much smaller and possibly the amount of money having to be guaranteed by the Government or given to the councils would be smaller.

MR. B. J. ABBOTT: Mr. Speaker, it is not my intention to speak to this Bill, but certain statements have been made which invite my speaking, however, I shall not elaborate, but there are one or two things which I would like to speak on in relation to the Bill. Now this Bill provide for the Department of Supply to buy for any hospital. I have heard it said time and again, that hospitals operated by the churches are operated more economically and much cheaper than hospitals operated by the Government.

MR. SMALLWOOD: It used to be so, but it is not so any more.

MR. ABBOTT: As a matter of fact during my years as minister of the Department of Supply, time after time, I would obtain from hospitals the cost per patient per day. And under every case I discovered that churches operated the hospitals <sup>for</sup> much less than the Government. Now the hon. the Premier have said that, that is not so today. I am not in the position to say well ...

MR. SMALLWOOD: If the hon. gentleman would allow me, what I say is not so today, is not what he says. He is referring just to food cost per patient per day, I said, generally speaking the running of the hospitals was done more economically by the churches in the past, than by the Government. But that is not so today, there is precious little difference in the cost of a church run hospital and a Government run hospital, there is very little difference today. I was not just talking of the food, I was talking of the overall cost.

MR. ABBOTT: When the cost was estimated I ask the department to figure the cost of labour with the cost of food. Now whether they did it or not I do not know. But I repeat, that hospitals operated by the Government were more

MR. ABBOTT: expensive. Now things have changed, the old order changeth and giveth place to the new. I take it that the Government or the Department of Supply has gone into the matter, the cost of Government operated hospitals and privately owned hospitals and that they know what they are talking about.

But it has already been pointed out, Sir, that if this Bill will include purchasing for corporations outside of the ambits of the Government corporations and firms and municipal councils and what have you, then of course, the civil service or that branch of the civil service is going to be involved in labour costs which will certainly be a charge on somebody, and if the Government is prepared to do this without charging the corporations well then that is all right with me.

Now with relation to the system which was in effect during my twelve years as minister, the tenders, I must say, I do not know of any irregularities or anything being done that was not fair and above boards. I do not know. It has already been pointed out that the fairest way where there would be no suspicion is the opening publicly or public opening of tenders. That is quite true, that does go on or it has gone on in the Department of Municipal Affairs where the Government of Canada has been involved. People tendering are called in engineering firms and other contractors are called in, or where called in to witness the opening of the tenders.

Now I know time after time, we fine disgruntled tenderers, people who have tendered and they have telephoned the minister to say that they could not understand the tender not being accepted. I

MR. ABBOTT:

I recall and I am not divulging any secrets of my office I recall one case where a man tendered on bids and he said he figured five per-cent, he said no one could figure any greater mark-up than five per-cent you could not do it less than five per-cent. Well he was wrong, the party who did get the tender did it on three per-cent. It was a \$10,000 order and the man who was successful carried around in his pocket his office and all he had to do is operating his office from his basement. He received a tender, he represented a reputable firm and he simply marked three per-cent on the order and that was it and he was the lowest tender. Now mind you he could operate his office on three per-cent maybe whereas a man who was paying employees could not operate less than ten or less than five.

So it is difficult for a man who is operating on five to understand that someone can operate on three but when it is explained that the man operating on three is operating from his basement had very little overhead then, of course, that throws a different light on the picture altogether.

Mr. Speaker, I have nothing else to say on the Bill. I do think I am complete in accord with the first part of Section (9) but Section (c) I am inclined to think that we should have another look at Section (c) that is 3 (c) to see if we are not going to get involved because I assure you once institutions other<sup>than</sup>/Government and organizations other than Government know that we have an arm of the civil service that is ready to go into business and help them out then, of course, I think they are going to be flooded with a good many requests.

MR. NOLAN: Mr. Speaker, first of all I would like to thank all hon. members for their observations on the Bill presently before the House for Second Reading. The hon. member for St. John's West for example inquired as to the people we had down here from the Department of Supply and Services during the time for example that the hon. Don Jamieson was Minister of that department on the Federal level. I should tell you to that we even resulted in a slight saving there in so much as we had about three people here for a period of two weeks I think and it did not cost the Government one cent either for their travelling or lodgings while they were here and not only that, the most encouraging part is



MR. NOLAN:

the fact that while they did do a report for us which is a private document nevertheless they have continued their interest in our set-up provincially and have indicated quite strongly both the officials concerned and the present minister that they are quite prepared to follow up from time to time at our request with information and to make the necessary personell available.

One thing that has been brought out very strongly here and which I completely agree is that we got to have a very fine purchasing staff and training program going on all the time in purchasing. The old idea of purchasing being merely a matter of picking up the phone or sending out a lot of tenders and taking what comes in is a lot of nonsense. Purchasing is a very skilled profession as you will find out for those of you who may have visited with people in the Federal level or with any big corporation as you know or some gentleman like yourself for example have been in business for a long while in one way or another who will know that every day is a new challenge in purchasing. You cannot rest on your laurels and what happened the day before. So they have indicated their support.

There is one thing that I would like to mention though that has been brought out here that I think is significant and that is in connection with the opening of tenders on the Federal level in supply and services. The tenders are opened by the employees in the department concerned and not at public openings. That is in the Department of Supply and Services both in Ottawa where they have a hugh warehousing system and big offices and so on and they have offices across the country but they have a similar set-up in Halifax and I have someone there right now as a matter of fact just doing some further checking for me on this.

It is interesting to note, by the way, the hon. the Leader of the Opposition referred to public tendering in New Brunswick. I might say in that regard, Sir, and I have done some study on it, Mr. Speaker, is that that applies to tenders that have been publicly advertised. I think it is very important that we be able to differentiate between what is publicly advertised and what is sent out or on tender list where you send out to forty, fifty or more people. Well the difference is this, Mr. Speaker, there are areas where you put out public advertisements often times the cost involved sometime is not worthwhile to go out

MR. NOLAN:

because you do have tendering lists. One thing that we do have by the way that I think has been abused and we have wasted money to my mind in doing this is that the only requirement to get on a tender list in the Department of Supply and Services and this has existed for many years and as a matter of fact still does, is all you have to do is write the Deputy Minister or the Minister and say I would like to be put down on the tender list of such and such and whatever it is that you might represent or manufacture and so on. Nothing more than that. Now where the fault lies, I suggest, is this, Mr. Speaker, often times you have people who are perhaps overly ambitious and they hope to represent or be an agent for some product or another and they immediately think that they can make a fast buck by getting on a Government tender list. Now what happens is this that if you have a requirement for one product a list of say fifty tenderors, which is not unusual, everytime that product is needed you got to send out requisitions or tender forms to all fifty. Often times these people never even say whether they are going to tender or not and in some instances it has gone on for weeks and months and in many instances years where they have been requested to go on and they remain on the tender list to this day.

Now surely this is wrong because I think where people are simply using this function and abusing it in some instances that after a period of ordering if you send out tenders to them four, five or six times and they do not even have the courtesy to reply at least you should make them reapply.

MR. MURPHY: The hon. Minister knows the reason lately, of course, with the orders there is no sense, that is what is being talked about period.

MR. NOLAN: Mr. Speaker, I must disagree with the hon. member because whether they say it is no sense or not the fact is that it is costing money to keep on sending those tenders out all the time. Let me give you an example, at the present time for example we have about 600 forms a day going through and there is waste here I am convinced of that in my mind. You got about 1200 a month and that is 138,000 a year, this has got to be cut down and it can be. The forms are broken down, for example you got 2400 requisitions from departments per year, you got 7200 tenders to suppliers per year and you got 4200 purchase orders issued per year for a total value in excess of something over \$16. million.

MR. NOLAN:

This should be cut down as there is a lot of waste in duplication of effort there. We have about ninety commodity groupings right now and they involve or will involve thousands of items.

The purchases for all the Government departments, we have 500 divisions approximately located in all parts of the Province and many of the requisitions, the tenders and the orders are of a repetitive nature and their volume I think can be reduced considerably by consolidation and this is going to be done. Now if we can reduce the number of orders we can then reduce operating expenses, mail charges, forms charges, storage or filing costs and so on. So with the consolidation then, Mr. Speaker, resulting in larger purchases we can obtain lower prices from the supplier because of volume discounts involved.

We are working procedures now, I have a handbook that is not really completed yet, for all of the staff in the Department of Supply which I think will be the first to the best of my knowledge that they have ever had and which has been worked out pretty much along the Federal level where it is applicable and where it can work on the local scene as I think it can.

Another matter that was mentioned, Mr. Speaker, was the matter of price increases after a tender has been called. I could not agree more. I have seen instances where escalation has come in from the time a tender has been received that is to me brutal because you never get it coming the other way. You have a supplier come in and say, "Look we need more money because the cost have gone up." But in my short experience I have yet to see a supplier come in and say, "Look the price has dropped down so we can reduce our price." It has never happened to me since I have been there.

MR. MURPHY: He does not contract for something today that he is going to supply next year.

MR. NOLAN: No, No.

MR. MURPHY: Or within fifteen or thirty years.

MR. NOLAN: No. Mr. Speaker, what I am referring to and I do not want to get into specifics because when you get into specific items you are talking about a particular product and then perhaps you might identify a supplier and this I do not want to do. But what I am anxious in indicating quite clearly is that

MR. NOLAN:

there have been instances where you had escalation clauses, and I have in fact <sup>well</sup> pretty/cut it out because there have been massive increases in some instances, one of the things I worked with with the member for Burin presently who was the former Minister of Health and Minister of Justice and he referred to it and he is perfectly right. This is something we have had to curb but we have had some success in doing it, so what we have done instead we would like to go a tender for a whole years supply but there is where you get your escalation coming in. If you go out for two or three months then if they come in crying as they sometimes do you can say look, we will be perfectly willing to consider this in the next two months or another month when it comes up again but at the moment this is it and we are going to have to live by it because actually all the Department of Supply does is negotiate a price using someone else's money, another department's money in fact, the Department of Health and what have you.

Another matter is that the Department of Supply cannot and must not operate, they cannot judge in vaccum. You have to have people in who are expert. I am not qualified in no way to say that Dr. so and so should use such and such a scalpel. It is nonsense to even suggest that I could.

MR. SMALLWOOD: He learned that in watching the television show, Dr. Kildare is it or Dr. which is it?

MR. ROWE (W.N.): Dr. Welby.

MR. NOLAN: Dr. Marcus Welby

MR. SMALLWOOD: Well, there is it, it is all there.

MR. NOLAN: Well, with my hair it is not Dr. Zorba.

This is something that we have tried to look at. If I may depart for a just a moment I cannot resist telling a little story at the expense of the hon. Leader of the Opposition. We are very, very closely associated in some ways and about six months a year we live reasonably close together, geographically, and it was in -

MR. WELLS: Is that out at the pond?

MR. NOLAN: Yes, out in the pond. He is just a few steps down the road but anyway I am told that we have a mutual neighbour and one day the neighbour's child, I think, went over and knocked on the door of the hon. Leader of the

MR. NOLAN:

Opposition and it so happened this other neighbour was I would think a liberal, I think it is safe to assume that that is so, so what happened in facts, Mr. Speaker, was that the young girl, I think it was, came over and knocked on the door of the hon. Leader of the Opposition, they had been great friends, his children and theirs and so on, and said -

MR. MURPHY: During the Federal election that was.

MR. NOLAN: Was it during the Federal election? And said, " Mommy wants to know if I can borrow a teabag?" and the hon. Leader of the Opposition is alleged to have said, "No, not likely, why do you not go down and get one from John Nolan?" and the little girl said, "But it is for John Nolan."

MR. MURPHY: ~~At the time~~, I told her to go to Ricky Cashin.

MR. NOLAN: Because I was over to the house at the time.

Now the other matter is on the purchasing for the hospital and agencies concerned. Believe me, we do not want to do any more purchasing than we absolutely have to. We do not want to get into the bits and pieces that can only be done most efficiently by the boards and corporations concerned and that is nonsense to think so. I might add though there are things here that have not been envisaged where we have had people in to visit with us such as school boards, very few people know them. We have had boards come in to look at the set-up we have in purchasing and to get some advice from them and I have even offered again to get people to come down from Ottawa where necessary to help them if they so desired but I cannot purchase for them or have the Federal Government purchase for them unless I have the legislative authority. But it depends on the volume you are buying and there is a great responsibility here for the departments because what has often happened in the years past, Mr. Speaker, I would suggest is that the people are living within their own ambit they decide that they want something this month or this week or next year rather than taking a look at the overall they should decide at the first of the year what the requirements are and in what quantities they are going to need, match it up with all the other departments concerned and then you go out and negotiate the price.

You do not get a good price if you are going out buying some smidgen of a quantity as you would if you went out and the dealers have been in to us time

MR. NOLAN:

and time again on this matter and we got the best advice available from the Federal Government. Now let me say this to, on printing for example -

MR. SMALLWOOD: Does the hon. Minister have any rough idea of the value of Federal purchases by their department, what do they buy in a year?

MR. NOLAN: I cannot put a total dollar sign on it but the Department of Supply provincially compared to the Federal Government set-up is mere chicken feed, you know, it is nothing at all but the fact is we cannot base it on that. What we got to look at is we got so much to work with, the Federal Government has so much to work with, they do their job and we are supposed to do ours and that is the way it has to be done. I am assured by them and it is a continuing process, I would suggest, Mr. Speaker, that the Department of Supply will be still further improved by the man who follows me. If it is not he should not be there.

MR. MURPHY: Do not worry, we will have a look into it.

MR. NOLAN: I am sure you will. I am sure you will and maybe then I can get a teabag occasionally.

MR. CROSBIE: Would the hon. Minister permit a question?

MR. NOLAN: Yes, Sir.

MR. CROSBIE: You agreed on in the case of these institutions that you mentioned such as school boards that they should have to agree or consent themselves or request your taking over their purchasing which means that this will have to be changed, you know, it requires a change.

MR. NOLAN: I would like to assure as I believe the hon. Premier did, Mr. Speaker, that this is so. I only mentioned the school boards because we were not considering them really in this case, we are thinking about hospital boards and so on but I did mean to mention and I mentioned simply for clarification that we have been approached by people for example on schools boards to look into central purchasing. We may or may not be able to help them but that is up to them to decide what they would like to do and in what way we can be of assistance to them. But it should not be misunderstood, Mr. Speaker, we are not interested in getting into the totality of purchasing for all the boards and corporations concerned, we are not one bit interested. All we are interested in is having them all get together to find out what they buy, their similar needs that they

MR. NOLAN:

buy in great bulk every year. We can get the Federal Government on the Federal level to come up with a price through the manufacturer and this will be on a master list as they call it and all we have to do then is negotiate the price and nothing more. We never see the product and do not want to in fact but we do have to have good feedback all the time from the boards and corporations concerned otherwise it cannot work. The Department of Supply cannot work that way no more than any other department and you always have to rely on the experts involved. For example, I am sure, Mr. Speaker, that the hon. member of Burin will recall at least in one particular instance that I can think of of a case when he was Minister of Justice, I was obliged as the Minister of Supply to purchase certain requirements for his department at that time and we were quite prepared to accept, of course, the lowest tender received. I should say that the year previously had been referred, I believe, to the Minister in charge at that time and he said, "Of course let us do it this way," and we did.

The next we go back and I am sure you will remember this perhaps, Sir, and what happened was he had discovered in the year that had passed that the people who were responsible for the utilization of the product involved had come back and said, "Look we have had more down time on this, we are losing money." Is that not right? It was cars, yes and so what happened we had to then on the advice of the officials concerned and it was not the Minister, the Minister was merely giving me the departmental side as the official spokesman for the department but his advice came from people, in some cases hundreds of people who are using the vehicles involved. We had to pay a few dollars more that year and did not accept the lowest tender but this was not my decision nor was it the hon. Minister's. It was his decision only in so far as he was the Minister responsible for the department. But it was on the advice of the people who used the product that he finally arrived at the decision, and with the Department of Supply, we decided to go ahead and purchase the vehicle involved. But this happens all the time no matter what you are buying.

Now as for the question raised on printing and so on I would like to say that what we have done in fact in printing and photography is that everyone and I mean everyone who wants anything out of that division has got to sign for it

MR. NOLAN:

and it is charged back to their department and that includes the Premier or anyone else. It has to work that way. This is the way you do it in any other business. I might say for the benefit of the House and for perhaps the information for the hon. the Premier that the car that has been widely discussed this afternoon, his car I believe, is not available this year. You were mentioning a car a year, I am sorry to say, Sir, that you have been deprived of one year at least this year.

Just one other thing and that is in connection with the reference by my hon. friend on municipal councils. We do not want to go whole hog into this, we want to take it bit by bit and do a reasonably good job I hope as we move along if it can be found by some corporation by all the councils, let them get together, let them decide what they need in bulk and then if we can help them or assist them in any way we would be more than happy to do so but it



the initiative has got to come from there and I think then we can help them by bringing in expertise depending on the products concerned. I might say on tendering again, on one other instance I was the minister of Municipal Affairs at one time as was my hon. friend from St. John's West. and I would think that while he was there as happened in my case, while I was there, I have never seen a tender opened in the years that I have been in Government I never have, and do not want especially.

They will make information available as I understand it Mr. Speaker, to responsible individuals who are in business. This is -

MR.CROSBIE: ..... want to get all the prices.

MR.NOLAN: Yes, based on that they will be able to get the prices provided. Mr. Speaker. But if I may get back to Municipal Affairs again for just a moment on tendering, while I was there a number of things were arrived at for the different municipalities and so on, and the tendering was opened, or the tenders opened as I recall by the deputy-minister, by an engineer, and by a secretary, and I would think that was the same system while the hon. member for St. John's West was there, this happened, because the mere price, are unit prices unless you are qualified in the engineering game you got no business deciding on. What happens is, when the tenders are opened they are referred to the engineering division and they examine every unit to see that if this is a rational approach to the thing and also that the company can fulfill their obligation. This has been happening for many years. I see nothing wrong with it. As a matter of fact the municipal affairs my experience, has been if I had been there, or no matter who was there, you open the tenders you cannot arrive at a definite decision right there that this is the one that is going to get it, because you have got to have the expertise from the engineers as it happened in the municipal affairs to say this is right or this is wrong and then you come to the decision. I thought I should add that because I believe it is very very important and sometimes this tendering/<sup>business</sup>can get completely out of perspective, I would like to move second reading Mr. Speaker.

MR.SPEAKER: It is moved and seconded that this Bill be now read a second time, ordered read a third time on tomorrow.

MR. ROBERTS: Mr. Speaker, I may have the consent of the House to interrupt our normal business to make a brief ministerial statement Sir. The House I am sure will want to know that the laboratory technologists in Corner Brook have announced that they are returning to work as of 4 o'clock this afternoon. they have been at work for an hour and three quarters, they have also announced and I have confirmed that in behalf of the government I will be meeting with the group of laboratory technologists on Monday, accompanied by two of my colleagues, I will be meeting all of them, the point is Sir, the Corner Brook group are the ones who have done the announcing at this stage I am not attempting to anticipate the other statements by any other representatives of the laboratory technicians and I believe they have a press conference called for 6 o'clock this evening Sir, and while I might be able to make a guess as to what they are going to say I certainly am not going to make any announcements for them that is their prerogative.

As I was saying my colleagues the Ministers of Labour and Supply and Services or of Supply I am not sure just what the title is at present will be joining with me and we will be talking to the laboratory technologists on the understanding they return to work. And as I said the Corner Brook ones ~~that they~~ have announced that they have returned to work as of 4 o'clock this afternoon.

Hon. the President of the Council asks leave to introduce a Bill, "An Act Further To Amend The Civil Service Act."

On motion, Bill read a first time, ordered read a second time on tomorrow.

Hon. the President of the Council asks leave to introduce a Bill, "An Act Further To Amend The Pensions (Premiums) Act, 1966-67."

On motion, Bill read a first time, ordered read a second time on tomorrow.

MR. CURTIS: Mr. Speaker, I move that motions 3 & 4 be stricken from the Order Paper, both these motions are covered in motions 7 & 8.

MR. SPEAKER: It is agreed that items 3 & 4 that is Bill 53 & 54 that these items be stricken from the Order Paper.

Third Reading of a Bill, "An Act Respecting The Liens of Mechanics And Others."

MR. CURTIS: I move that this Bill be recommitted to reconsider an amendment we made in Committee.

MR.SPEAKER: Is it the wish of the House that this Bill be recommitted. Agreed.

On motion of Mr. Speaker the House went into Committee.

Mr. Speaker left the Chair.

Mr. Noel Chairman of Committee:.

MR.CURTIS: Mr. Chairman, when this Bill was before the House / suggestion at the  
of one of my hon. friends we struck out the last section bringing the Bill  
into operation. I find that we should not have stricken out that clause and  
I am asking the Hon. the Premier if he would move to have that clause reinstated

MR.NOEL: The motion is that the motion passed previously that clause 53 be  
deleted be rescinded.

Motion, that the committee report this Bill carried without amendment.

Motion that the Committee rise report progress and ask leave to sit again.

Mr. Speaker resumed the Chair.

MR.NOEL: Mr. Speaker, the Committee of the Whole have considered the matter  
to them referred and have directed me to report having passed Bill No 15  
without amendment.

On motion Bill read a third time ordered passed and title be as on the Order  
Paper.

MR.CURTIS: Mr. Speaker, I move that the remaining Orders of the Day do stand  
deferred and that the House at its rising do adjourn until tomorrow Monday  
at 3.p.m. and that the House do now adjourn.

MR.SPEAKER: It is moved and seconded that this House at its rising do adjourn  
until Monday May 11, 1970 at 3:00 p.m.