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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order!

PRESENTING PETITIONS:

MR. WILLIAM R. SMALLWOOD: Mr. Speaker, I beg leave to present a petition from the voters of Beachside formerly known as Wild Bight. Mr. Speaker, the prayer of the petition is for the elimination of some dangerous curves and blind hills on the road from Little Bay down to the settlement of Wild Bight. Now, Mr. Speaker, this was one of the earliest roads built in the district of Green Bay, that is the section from Little Bay down through the settlement of Wild Bight. I guess it must be one of the most dangerous roads in Newfoundland. It is very extremely steep, sharp bends and blind turns and some quite steep banks on the side of the road and the people have been able to get over the road, it is quite possible to get over the road, but the main concern of the voters of the settlement now is that there is a large school bus taking the children from Wild Bight up to the school at Springdale and this road is extremely dangerous for a bus the size of which is being used, especially in the winter months.

I might say, Mr. Speaker, that I was down in Wild Bight during the Easter recess and there was still plenty of snow down around there, two or three feet. As the road leaves the settlement of Little Bay heading towards Wild Bight it goes up over an extremely steep hill and a ninety degree turn right at the bottom of the hill which makes it almost, well it makes it just about impossible to get a running start and extremely difficult to get up when the road is icy. I brought this to the attention of the Department of Highways on previous occasions and I must say that if there is any road which needs to be reconstructed and curves and blind corners taken out of it in the district of Green Bay, this is it.

I strongly support the petition and ask that it be received by the House and referred to the Department to which it relates.

On motion, petition received.

MR. W.N. ROWE (MINISTER OF COMMUNITY AND SOCIAL DEVELOPMENT): Mr. Speaker, I beg leave to present a petition from the residents of Jackson's Arm in the district of White Bay South. The petition is signed by about three hundred people in that community which represents, I would say, nearly all the voters of Jackson's Arm. The petition, Sir, is to the Department of Highways for more efficient snow clearing services. The roads in this settlement have been practically impassible for most of the winter making conditions hazardous both for motorists and for school children. To remedy this situation we would like to see either a bulldozer or grader stationed in this settlement during the winter months.

Now, Mr. Speaker, this petition would seem to be a little bit untimely the winter practically being over, even in Northern Newfoundland, but I am sure that this presenting or forwarding of this petition to myself for presentation to this hon. House was stimulated and provoked by the extremely severe winter experienced by the people in that area. It might be untimely for the winter just past but I am sure that my hon. colleague will bear it in mind for next winter and that he maybe in a position to accede to this eminently reasonable request on the part of the people of Jackson's Arm.

I move, Sir, that the petition be received by this hon. House and referred to the Department to which it relates.

On motion, petition received.

MOTIONS:

HON. L.R. CURTIS (MINISTER OF JUSTICE): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Further To Amend The Securities Act:" a Bill, "An Act Further To Amend The Central District Courts Act:" a Bill, "An Act Further To Amend The Evidence Act:" a Bill, "An Act To Amend The Mechanics' Lien Act:" a Bill, "An Act To Repeal The Act 9 Ed. VII Cap. 2 Entitled "An Act To Incorporate The Newfoundland Board of Trade, And For Other Purposes."

HON. F.W. ROWE(MINISTER OF EDUCATION AND YOUTH): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill entitled, a Bill, "An Act Further To Amend The Education (Teachers' Pensions) Act, 1962."

HON. S.A. NEARY(MINISTER OF SOCIAL SERVICES AND REHABILITATION): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Further To Amend The Workmen's Compensation Act, 1962." Also, Mr. Speaker, on behalf of my colleague, the Minister of Mines, Agriculture and Resources, I give notice that I will on tomorrow ask leave to introduce the followings Bills: "An Act To Amend The Agreement Ratified By, And Set Forth In the Schedule To, The Canadian Javelin Limited (Agreement) Act, 1966, And To Make Certain Provisions Relating To That Agreement;" "An Act Further To Amend The Agreement Ratified, Confirmed And Adopted By and Set Forth In The Schedule To The Commodore Mining Company Limited (Agreement) Act, 1968, And To Make Certain Statutory Provisions Relating To That Agreement;" "An Act To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Big Nama Creek Mines Limited (Agreement) Act, 1966-67, And To Make Certain Statutory Provisions Relating To That Agreement:" "An Act To Authorize The Government To Enter Into An Agreement With Robin Hood Multifoods Limited (formerly Robin Hood Flour Mills Limited) Which Would Further Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Government - Robin Hood Flour Mills Limited (Agreement) Act, 1963, And To Make Certain Provisions Relating To That Agreement."

HON. E. JONES(MINISTER OF FINANCE): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce two Bills, a Bill, "An Act Further To Amend The Social Security Assessment Act:" a Bill, "An Act Further To Amend The Gasoline Tax Act, 1962."

ANSWERS TO QUESTIONS:

MR. ROWE(F.W.): Mr. Speaker, I have the answer to question number (74) asked by the hon. member for St. John's East, the hon. member is not here, I believe, perhaps one of his colleagues could, on the Order Paper of March 25th, the hon.

MR. ROWE(F.W.):

member for St. John's East Extern, I am sorry. The answer to question (1) is \$2,261.68, I might say that this information was supplied to me by the president of the College of Trades and Technology as we would not carry it in the Department of Education normally. The answer to question (2) is yes, question (3) the name is Robert Hand and the salary is \$7,723.22. Mr. Hand is full-time employed by the College but part of his time is spent in this special work to which they have seconded him here in the building.

HON. A.J. MURPHY(LEADER OF THE OPPOSITION): Is it Hand or Hann?

MR. ROWE(F.W.): I should add, Mr. Speaker, that this information, as I said, was given me by the president of the College. I had reason to believe that his name spells Hann, but they have spelled it Hand. The answer to that question is that he spends part of his time at the special duties here in Confederation Building and he performs other duties over in the College as well. The answer to question (4) is \$5,684. and Mr. Duggan informs me that all revenues have been deposited by the College to the Exchequer account of the Province.

HON. J.R. CHALKER(MINISTER OF PUBLIC WORKS): Mr. Speaker, I ask leave to table the answer to question number 509 asked by the hon. member for St. John's West.

HON. E.M. ROBERTS(MINISTER OF HEALTH): Mr. Speaker, some of the questions which are standing in my name on the Order Paper, first, Sir, I will take them again in chronological order. I see the gentleman whose name they stand in is not here so perhaps one of his associates could note them. Question number 124, on the Order Paper for Thursday, March 25. The hon. gentleman asked me how many motor vessels are presently in the service of the Department of Health and where are these vessels stationed and what is the use of each boat? There are two cabin cruisers, Mr. Speaker, one of them based at Hermitage and the other based at Belleoram. They are used for the transportation of doctors holding medical clinics and they are used for the

MR. ROBERTS:

transportation of patients and they are also used in the transportation of both doctors and patients in emergency situations.

The hon. gentleman then asked, what places are each of these boats normally required to visit and how many times each month? The answer is, Sir, that the cruiser stationed at Hermitage visits Stone Valley, Gaultois, Furby's Cove, Pass Island and McCallum twice a month and the cruiser at Belleoram visits Rencontre East twice each month and emergencies, of course, Sir, as necessary. Then the hon. gentleman asked me to give for each boat (a) the number of crew. There are two crew members on each boat. Then he asked (b) the annual cost of salaries for 1970 and the answer in each case, Sir, is approximately \$11,200. for a total of \$22,400. and again (c) he asked for the annual cost of maintenance and operation. I am told in each case it came to approximately \$3,000. So if you wish then the total cost of these two boats including the crew and the maintenance, for the year 1970 was about \$30,000.

The hon. gentleman, question number 125 on the same day's Order Paper, asked me, (1) how many applications were received by the School, and I assume he means the Faculty of Medicine at Memorial University, for entrance to First Year in September, 1970 and he asked for a number of places. The only answer I can give, Sir, is that I am not in possession of this information. The dean of the Medical School or the appropriate officials at the University, I am sure, would be delighted to make available any information that is needed but, you know, I do not operate the Medical School, Sir.

I must, Mr. Speaker, give a similar answer to question number 126. Again the hon. gentleman from St. John's East, he asked, what is the present staff of the School of Medicine, Memorial University, giving a breakdown into such categories as professor, lecturers, technicians, indicating if full or part time? Again, Sir, I am afraid I do not have the information.

MR. J.C. CROSBIE: Mr. Speaker, a supplementary question. Is it not a fact that

MR. CROSBIE:

the funds to operate the School of Medicine are coming from the people of Newfoundland, through the Government, and is it not a fact that therefore the Minister can obtain this information from the people who spend the money?

MR. ROBERTS: Mr. Speaker, the answer to the question is that of course the money is supplied by the Government, Part of it, I would assume, comes from the people of Newfoundland and part from the people of Canada. I would assume I could get the information, but my point, Sir, is that the information can easily be gotten by an hon. member by ringing the University. I have no special access, I have no information.

MR. CROSBIE: The Medical School reports to the Minister.

MR. ROBERTS: The Medical School, Mr. Speaker, does not report to the Minister in any sense of the word any more than the University does not report to my friend and colleague, the Minister of Education. The hon. gentleman should know better than that.

MR. CROSBIE: Mr. Speaker, a supplementary question. Is it not a fact that the vote for the Medical School at Memorial University is carried by the Department of Health and that in connection with that vote the Dean of Medicine or the University have to contact the Minister of Health as well as the Minister of Education?

MR. ROBERTS: Mr. Speaker, it is quite correct that the grant for the Faculty of Medicine is carried with the Department of Health. It is equally a fact that my officials hold discussions with representatives of the University, including the people from the Medical School. That again is not to say that I have the information asked for. The point is, Mr. Speaker, that I do not have the information asked for because the information is not the sort we are given. Now I will make an effort, if the hon. gentleman wishes, I will try to have some of the -

MR. ROBERTS: Some of the information available when we come to debate the item in the estimates. As the hon. member realizes, when the estimates are laid before - presumably this is very much in order. Question (127) Mr. Speaker, again in the name of the hon. member for St. John's East, again on the Order Paper of March 25th. I have the answer here for the year ending March 31st., the full year, it is \$1,156,245.00. The hon. gentleman also asked, what is the total sum paid to the university for the faculty of medicine for capital construction and alterations since April 1st.? I am told Sir, that between April 1st. and March 31st. there were no payments for capital construction or alterations. I am not so sure that is right, but I double check it. I know that they have built the vivarium, and I do not know if there have been any payments or not. I will double check that.

Question (128) Mr. Speaker, again the indefatigable member for St. John's East, the answer of course is yes. The answer to the second part is no.

MR. MARSHALL: Would the hon. the minister permit a question?

MR. ROBERTS: Of course Mr. Speaker.

MR. MARSHALL: Could the hon. the minister tell us what requests were made and which the Government was forced to say no to?

MR. ROBERTS: I cannot say specifically Mr. Speaker, but in a general way the medical faculty of the university would like us to go ahead yesterday with a new teaching hospital which as Your Honour knows is very much in the works with a new medical school building which again is very much in the works. There may have been specific requests within that Your Honour, but these are the two items, it is a total cost of about \$40 millions. The Government intend to go ahead with these subject to the receipt of certain approval from Ottawa. I can tell the House Sir, that formal application for the first part of that was made by my Deputy Minister in my behalf a week or ten days ago. We expect an answer shortly from Ottawa.

The application is for a total grant from Ottawa of \$1.3 million which will go together with \$450,000. in Provincial Government money. That

money totalling \$1.8 millions is the estimate I have for my colleague the Minister of Public Works that will be needed in the current financial year for the planning and the architects work on both the general hospital, the new general hospital and the building for the faculty - the school building for the faculty of medicine. Does that answer the hon. gentleman? I am not trying to duck out on it, I can maybe get more specific information.

MR. MARSHALL: It is indefinite but it does.

MR. ROBERTS: It is as definite as I can be Mr. Speaker. I think the Government's policy is clear. The university have not come and said we want \$104.23, they are concerned about their overall capital and physical facilities.

MR. HICKMAN: Would the hon. minister permit another supplementary question here.?

MR. ROBERTS: Yes, of course Sir.

MR. HICMAN: Has Government received any firm indication from the Government of Canada as to the total amount that will be paid out of the health resources fund and any other fund towards the \$40 million.

MR. ROBERTS: Mr. Speaker, we do not have any written commitment, but, should I say I have good reason to believe that we will get three quarters of the approved capital cost, and as we estimate the approved capital cost to be \$40 millions, we expect to get \$30 million from Ottawa.

MR. HICKMAN: This includes the Atlantic Provinces special grant.

MR. ROBERTS: Yes it does Mr. Speaker, this includes a portion of the Atlantic Provinces' grant, it includes a portion that we are entitled to per capita. It also includes Mr. Speaker, a large portion from that part of the health resources fund which is reserved to the discretion of the Governor in Council of Canada, and I say that I have good reason, based on the talks which I have had with ministers at Ottawa to believe that we will be getting a large share of that.

There are some procedural difficulties which I think have now been fully resolved within the past forty-eight hours, and I think we will

be going ahead very shortly and making a formal application. Before the Government took their policy decision which I announced in February Mr. Speaker, I can assure the House that we had very good and certain reason to know that what we said was in fact correct.

I realize that some of the hon. gentlemen opposite may doubt that, but I will be content to stand by the results Sir.

MR. HICKMAN: Has the - one time, there had to be approval from all the other Provinces, does that procedure still follow?

MR. ROBERTS: Mr. Speaker, I think that I mentioned certain procedural difficulties. I do not want to go into detail for obvious reasons, because these things are not finished, but as I say, I think we have now overcome almost all of the hurdles and the rest of the hurdles that have not yet been surmounted are being surmounted.

MR. HICKMAN: There used to be a dreadful veto in there, any one Province...

MR. ROBERTS: I repeat Mr. Speaker, my Deputy Minister was at meetings in Ottawa last week accompanied by my assistant Deputy Minister. The information I have is that we are doing very well indeed. I cannot go into more detail Mr. Speaker, I do not think it is in the public interest.

MR. HICKMAN: I was just wondering if they had changed the procedure.

MR. ROBERTS: The ground rules have not changed, but shall we say, our skill at meeting the ground rules is changed substantially in the past two or three years.

Mr. Speaker, there are two more questions I think which the hon. member for St. John's East has asked that I can answer today. Question (132), The answer, as I just said Sir, and as I announced on behalf of the Government early in February, there will be no university hospital as such. There will be a new General Hospital, it will be a teaching facility of course, it will be designed as a teaching facility, it will be operated as a teaching facility, but it will be the General Hospital of the Province, and as I think I made clear before it will be under the control of the General Hospital Board, a board which is appointed by the Governor in Council under authority of an Act passed by this House, I believe two or

three years ago. In light of that answer Sir, the remaining portions of the hon. gentleman's questions are just not applicable.

MR. CROSBIE: When will the new General Hospital start?

MR. ROBERTS: Well Mr. Speaker, again the answer will be as soon as possible. The application to which I just referred with respect to the provision of \$1.8 million for architectural funds, includes money for the new General Hospital. The final functional planning and the beginning of the detailed architectural work - I do not know how quickly Ottawa will approve it Sir, and once the architects are appointed I do not know how quickly they will be able to finish their work. It is the Government's policy given three fourths of the cost from the health resources fund, to proceed as quickly as possible to develop the new General Hospital, and the teaching facilities for the faculty of medicine at the university.

MR. CROSBIE: Has the site been determined yet?

MR. ROBERTS: I cannot answer that specifically. I know in a general way it has been, yes. It is on the north campus of the university and it will be integrated with the development of the university. Mr. Speaker, my colleague the Minister of Public works is the man who has to do with these things in detail. There is a committee composed of my own Deputy Minister, the Deputy Minister of Public Works, a representative of the Board of the General Hospital, they have named Mr. Moores, Mr. Ralph Moores the administrator of the hospital, and a representative of the Board of Regents of the university. I believe Dr. Ian Rusted is acting for the university. Both the Board of Regents of the university and the Board of the General Hospital have formally approved our plan. I am happy about that and I know the House understands. I was not entirely surprised because there, shall we say, have been a degree of consultations before the Government took the final policy decisions.

MR. MARSHALL: Would the hon. gentleman permit another question Mr. Speaker?

MR. ROBERTS: Yes Sir, of course.

MR. MARSHALL: In view of the minister's remarks in answering the question,

that the control of this hospital being the General Hospital Board, has this been agreed upon by the - in view of the remarks made in the Brain Commission, the second volume of the Brain Commission, and obviously the minister is familiar with it, has this business of the control being in the civil board outside the university been okayed by the university authorities because as the hon. minister knows, the university authorities were very very hesitant about there being any control of their school of medical training, or university hospital or what have you by any board outside or any entity outside the hospital itself. I am sorry, outside the university itself?

MR. ROBERTS: Mr. Speaker, as I thought I just said, and as I announced in February, but I will gladly - it is an important point and I will gladly restate it, our proposal, our plan, our policy, has been formally approved by the Board of Regents by a resolution. I have a letter from Mr. Morgan the vice President, academic, of the university informing me of that and enclosing a copy of the resolution. I can only assume Sir, that this means that all of the university authorities are in agreement with it. I can only say that formally. I know informally, and I do not think I am breaching any confidence when I say that - of course the people at the faculty of medicine, the teaching staff and so forth are in agreement with our plan.

I think to be honest Mr. Speaker, they would prefer to have their own hospital, but such is not to be the case. The new General Hospital will be a teaching facility, but it will replace the present General Hospital as the basic referral centre for the Province.

MR. MARSHALL: They have agreed then with control being in this board outside the university.

MR. ROBERTS: Yes Mr. Speaker, the Board of Regents who are the only body with whom we deal at the university officially, and that they are the august in their working relationships at other levels, but the Board of Regents are the body in whom the control of the university, the authority, the responsibility for, am I correct? The Board of Regents are the body who have responsibility

for administration of the university. They have sent a resolution to me as the Minister of Health saying that they have accepted our proposal. Our proposal is that the hospital be a teaching hospital, but it will be operated by the present General Hospital Board. The university have representation on the Board.

AN HON. MEMBER: (Inaudible)

MR. ROBERTS: Well, in effect of course, this happens at all the hospitals indeed, it may well be a problem in the years to come, but I think the head of every clinical department at the present General Hospital is a comparable professor. The Janeway, we have seen immense improvement at the Janeway, and I think that is to the credit of men like Dr. John Dart who is chief of staff at the Janeway, but is also professor of pediatrics at the university.

The Grace General Hospital is signing an affiliation agreement. I think St. Clare's are. I know we are working out one for H.M.N.D. Mr. Speaker, this is the nature of university hospitals and university - hospital relationships.

Finally Sir, the hon. gentleman for St. John's East asked about the steps that have been taken to establish a comparative drug price index for this Province. The answer is, that discussions have been going on for some time, (Question 135) between the Newfoundland Medical Association and the Newfoundland Pharmaceutical Association on the one hand, and my officials on the other with a view to introducing into Newfoundland a variation of the par-cost plan which is now in effect in Ontario. No final decision has as yet been taken, but perhaps I might be permitted to say Mr. Speaker, that I for one am getting somewhat disturbed by the lack of speed and urgency with which the pharmaceutical and medical associations are pressing this matter. In behalf of the Government I can say that we are now considering other steps that must be taken. As Your Honour will realize, in a field like this we cannot, and will not act unilaterally. Drugs are prescribed by doctors and they must be of acceptable standards, acceptable to the doctors, but I can say that these discussions are going on for much

too long with too little result in my view. We will be meeting shortly with the groups concerned to let them know that the problem is real and we would be more grateful than we are if something were done more quickly than it is being done.

I can go on Mr. Speaker, but I think I probably have been long enough this day. We will postpone the pleasure until another day. There are many more questions on the Order Paper. Thank you.

HON. E. DAWE (Minister of Municipal Affairs and Housing): I table the answer to question no. (251) asked by the hon. member for St. John's Centre, Order Paper of March 29th.

HON. F.W. ROWE (Minister of Education): Mr. Speaker, when I was up previously I forgot I had the answer to another question here. Question no. (464) on the Order Paper of April 14th. asked by the hon. member for St. John's West. The Question is in four parts. The answer to the first part, the number of portable classrooms ordered was thirty-three. They were ordered November 23rd. 1970. The number of classrooms delivered was thirty-three. The number occupied was six as of last week, that should say that that figure will obviously change every day as these classrooms are made ready for occupancy. I got this information incidentally from the - mostly from my colleague the Minister of Public Works to whom I suppose properly speaking the question should have been directed any way.

The payments made to date are \$225,954.00. The total value of the contract is \$481,727.00

MR. ROWE: F.W. The answer to question no. (2) is no, I should add that I think that the information I have from my colleagues and from the Department of Public Works is that there is no other Firms in the Province in a position to submit tenders for this type of building.

The answer to question no. (3) is that an agreement has been made with the Federal Government whereby the Federal Government will cover the costs of the portable classrooms, one hundred per cent.

The answer to question no. (4) is that the date of the application of the request, that is our request to the Government of Canada, is October 16th., 1970 and I could add there that the approval from the Government of Canada was given on November 6th., 1970.

MR. CROSBIE: Mr. Speaker, this amount that is being paid by the Government of Canada has that anything to do with the final payment under the Vocational Training or Technical Schools legislation, the Minister announced there a while ago?

MR. ROWE: I am not in a position to answer that right off hand, but I suspect that this is part of the Manpower agreement whereby they purchase places from us and the cost of purchasing them would in all probability amortize that. But that is, if my hon. friend would care to table that question or we might perhaps, better still, raise it at the time that we are in Committee on the Estimates, and I would certainly have that information on hand then.

MR. JONES: Mr. Speaker, I would wish to table answer to several questions that are rather lengthy, and I do not propose to read the answers, I trust that the answers to be tabled are satisfactory.

The first one is the answer to question no. (219) on the Order Paper of 29th. of March in the name of the hon. the member for Burin. Question no. (245) on the Order Paper of the same date by the hon. the member for St. John's West. Question no. (246) on the Order

MR. JONES: Paper of the 29th. of March, in the name of the member for St. John's West. Question no.(290), in the name of the hon. member for St. John's West, on the same Order Paper. Question no. (291), in the name of the same hon. gentleman, on the same Order Paper. Question no. (410), asked by the hon. the member for Bonavista North on the Order Paper of the 13th. of April. Question no.(412) by the hon. member for Bonavista North on the Order Paper of the 13th. of April. Question no. (415), on the Order Paper of the 13th. of April, asked by the hon. the member for St. John's West. The Order Paper of April 19, 1971, question no. (505), asked by the hon. member for St. John's West and on the Order Paper of April 19. question no. (521), asked by the hon. member for St. John's West.

MR. ROWE: W.M. I have to table some questions, and I have enough copies I think for any members of the House or the Press that might be interested.

The first one is question no. (428), appearing on the Order Paper of Tuesday, April 13, and asked by the hon. member for Burin, The next one is question no. (441) and asked by the hon. member for Fortune Bay, appearing on the Order Paper of Tuesday, April 13, and question no. (444), asked by the hon. member for Fortune Bay on the Order Paper of Tuesday, April 13.

MR. STARKES: Mr. Speaker, I have the answer to question no. (491), on the Order Paper of April 16. in the name of the hon. member for Burin, section (1) Has the Minister received any request to place appropriate signs at the intersection of the Garnish access road? The answer, Mr. Speaker, is yes.

Section (2) Has the Minister order the erection of appropriate signs? The answer is yes.

MR. WINSOR: Mr. Speaker, I table the answer to question no. (420) asked by the hon. member for St. John's West, appearing on the Order Paper of April 13,

Motion second reading of a Bill, "An Act Further to Amend the Revenue and Audit Act." (Bill No. 47)

MR. CROSBIE: Mr. Speaker, I move that we proceed to motion 7, seconded by the hon. member for St. John's East, motion 7 being the motion in connection with the proposed appointment of a Royal Commission to investigate purchases and rentals by the Government including certain Newfoundland Liquor Commission leases. The members of the Opposition indicated to the Leader of the House that today, which is Private Members Day, they would like called motion 7 first, as they feel this is the most important thing to be discussed at the moment and the hon. Minister of Justice or Leader of the House said that he had to call these proposed second readings of Bills in order, for some reason, I therefore move that we proceed on to motion 7. Since this is Private Members Day, I suggest that we should be able to make our suggestion as to what business we would like called that we have on the Order Papers and should be followed.

MR. SPEAKER: Those in favour of the motion. We shall proceed with Motion No. 7 on the Order Paper. Those in favour Aye. Contrary Nay. In my opinion the Nays have it.

HON. MEMBERS: Division

Division

MR. SPEAKER: Call in the members. Those in favour of the motion that we proceed to motion no. 7, please stand.

Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Crosbie

MR. SPEAKER: Those against same motion please stand.

The hon. the Premier, the hon. the President of the Council, the hon. the Minister of Labrador Affairs, Mr. Hodder, Mr. Strickland, the hon. the Minister of Education and Youth, the hon. the Minister of Public Works, the hon. the Minister of Finance, the hon. the Minister of

Community and Social Development, the hon. the Minister of Provincial Affairs, the hon. the Minister of Social Services and Rehabilitation, Mr. Canning, the hon. the Minister of Health, the hon. Mr. Hill, the hon. the Minister of Supply and Services, Dr. McGrath, Mr. Lane, Mr. Wornell.

MR. SPEAKER: I declare the motion lost.

A Bill, "An Act Further To Amend The Revenue And Audit Act." (Bill No. 47)

MR. MARSHALL: Mr. Speaker, this Bill to amend The Revenue And Audit Act, brought in for the purpose of removing, from the statute books, pieces of iniquitous legislation, allowing the Cabinet or Executive arm of Government to borrow monies and pledge the credit of this Province.

Mr. Speaker, briefly then, the Act, the sections which are to be repealed, what we want to do or what this Act purports to do, is to repeal the power of the Lieutenant-Governor in Council, in addition to all other monies authorized to be raised or borrowed by this or any Act. To raise or borrow upon the credit of this Province, it says, from time to time, at such rate or rates of interest as the Lieutenant-Governor determines, in other words the Cabinet determines the amounts and the rate of interest, the manner in which the debt is going to be secured, etc.

Then in 1970, Mr. Speaker, its power in the Cabinet, it was not enough for this Government to put it in the Cabinet, they had to enlarge it, to give the Minister from time to time. Apparently it became a little too much trouble for the Government, for the Cabinet itself to determine the borrowings and the Minister was given power to borrow, under certain conditions a little bit more restricted than the Cabinet was given in 1966.

This particular Act, this particular power, given to the Government of this Province, is wrong, and we can see by examining the history of the financial situation of this Province and the financial transactions of this Province since the day it was

MR. MARSHALL: enacted. We can see what has happened. One only has to look at the divergence between the estimated borrowings and the actual borrowings of this Government in that period of time.

It has already been expressed in this House, prior to this amendment in 1966 and 1967, the estimated borrowings, that is the borrowings which the Government brought before the House, and said at the beginning of the year it was going to borrow and the actual borrowings were pretty much the same. In 1962 - 1963 \$11 million estimated and \$11 million actual. Again in 1963 - 1964 \$14,600,000 estimated, \$14,600,000 actual. Again in 1965 - 1966, an identity between the actual borrowings and the estimated borrowings of \$20 million.. What happened? What happened when this power was given to the Cabinet? This is what we have to enquire into, Mr. Speaker. Since 1966- 1967 we have the estimated borrowings from the first year to be \$28 million and the actual borrowings to be, the hugh amount of \$56,038,000. Again in 1967 - 1968, there was a large difference between the amount which the Government said it was going to spend, or told the Legislature it intended to borrow, not spend but borrow, and that which at the end of the year, actually did borrow. And the difference here is rather great in 1967 - 1968, a difference of some \$54 million, rounding out to the odd figure estimated, and \$95,867,000 was actually borrowed.

In other words, in the secret Cabinet Chamber, some \$42 million odd more were borrowed than the public was informed originally, through this Legislature, and so on up. It reduced a little bit in 1968 - 1969 and in 1969 - 1970, but again there was a large divergence between the two figures of \$20 million in one year and some \$13 million in the next. But the prize of all is last year, Mr. Speaker, where we see that the Government brought in estimates of some \$70 million, \$70,226,000 were estimated by this Government that it would have to borrow in that fiscal year and in actual fact we already know, that the borrowings of

MR. MARSHALL: the Government were in the vicinity of \$125 million.

Now this amounts to a difference of \$55 million, between what was actually borrowed and what was estimated to be necessary to be borrowed. It is \$55 million that was borrowed in the secret Cabinet Chamber. After the fact we are informed of it, after the fact we are told what additional amounts the Government has spent, and they used a lot of this money to spend extra money, which is a point to which I will advert in a moment. Now this is not right, it is incorrect and is very very wrong.

Now if you will look at the Supplementary Supply, this is the increase in the amount the Government says or estimated it was going to spend and what it actually spends. You can see what an effect, what an adverse effect this borrowing legislation in Cabinet had upon this Country and upon this Province. We see Supplementary Supply increasing in 1966 - 1967 to \$53 million from \$14 million in the previous year.

MR. MARSHALL: The previous year. \$20 million was the highest supplementary supply that been sought by this Government prior to the advent of this borrowing legislation. When this legislation was brought in and there were millions of dollars available to the Government, they could borrow more in Cabinet session, naturally what happened is more monies were spent. Nobody quibbles with the spending of money, with the Government spending money. Nobody quibbles with the Government spending money for good purposes, to increase job opportunities, and for the welfare and well being of this country. Certainly, every individual in this Province has the right to know when the Government is going to borrow millions of dollars before it is actually borrowed.

Furthermore, the public of this Province is entitled to a better budgetary set-up and a better budgetary management by this Government, than to be out in the estimates by \$54 million in '67 and '68. As we see by the Lieutenant Governor's warrants, \$43 million last year. It is ridiculous Mr. Speaker, the bad effect of this legislation can be seen and can be seen rather patently and sorrowfully right now. The public of this Province have a right, particularly in these very trying financial times, to know at all times when money is being borrowed, when it is being spent, and what for what purpose it is being spent.

I know that there will be arguments presented by proponents on the other side, to the effect that this is a normal delegation of authority from the Legislature to the Cabinet. We have to look back into history, into the history of British Parliamentary practice and we can see far, far back in the fourteenth century, where there were delegations by the British Parliament to the executive arm of Government, and that particular case was a statute, I think it was called the Statute of Proclamations, whereby the Cabinet was pretty well given authority at the time to enact all types of laws and legislation without meeting the House. It was enacted, I might say, at that time because of the difficulty in convening Parliament, because of transportation difficulties in those ancient times.

However, that particular delegation was not abused. It was not abused by the British Parliament, and it really came to mean as practice, this particular delegation only merely related to administration itself, and not to huge mammoth decisions such as the one we have delegated to the Cabinet here. Surely this Legislature, any progressive Legislature in the twentieth century should not be afraid, or any progressive Government should be not afraid to come before the Legislature before it borrows millions of dollars and inform the Legislature of its intentions before so doing and get its approval, and thereby inform the public of this Province, and through its elected representatives, of its intentions. It is not only necessary, but it is a safeguard.

I would hazard a guess, Mr. Speaker, in saying that we would not be so far in debt today as we are, if this Government had the brakes put on it of having to appear before this Legislature before it borrowed. It is all very well, and I know the statement will be made again, as it has been made again and again by the Government, as often as this delegation has been opposed by the Opposition, to say, Oh it is being done in all of the other Provinces of Canada. It is necessary because it is being done in all of the other Provinces of Canada.

We should be ashamed of ourselves if we have to justify our legislation, which we bring before this House, merely by just saying it is being done in other provinces, it is being done in other states or other jurisdictions and not go any more. We have to know the reason why. One of the reasons why it is being done is because of convenience of financial institutions. The financial institutions of Canada have requested, I do not know whether all of them, I am told that all of the Legislatures, certainly some of the others in the Provinces of Canada, but that does not make it right, it does not make it correct. One of the reasons why we have the problems that we have, in Western Society today, is because the people of a country, or a province, or a state are not being given the full facts. Unless the full facts are being given, unless the Government is prepared to render the full facts from time to time, then it has no real right to

govern.

Also, the argument to the effect that it is being used in other Provinces has no validity here because, I would submit, as a result of the difference between the estimated borrowings and the actual borrowings, Mr. Speaker, that this power that has been delegated in '66 and '67, and amended again from time to time to make it more easy for there to be borrowing by the executive arm of Government, to make it more easy for there to borrowing of huge amounts in secret Cabinet sessions, that this particular power that has been given by the Legislature to the Government has been abused by the Government. I do not see how anybody can say that it has not been abused.

When you get to the stage of the huge amounts that have been borrowed, I believe \$68 millions in total last year, were borrowed by the Cabinet, huge amounts were borrowed afterwards as I have already recourted. Nobody can tell me that this was the intention of the Legislature when the authority was originally delegated to the Cabinet. That in effect it can become a Parliament of its own only in secret Cabinet session; for the general public of this Province do not know the reason for the huge, large amounts of borrowings. I would say Mr. Speaker, that the power has been misused and abused, and as a result of this power of borrowing being misused and abused, it ought to be taken away from the person to whom, or the entity to whom is has been given; that is the Government of the day.

I do not think really that the people of the Province fully appreciate the seriousness of this particular matter. I feel that if you asked any individual, would you like entrust to the Cabinet of this day, or for that matter the Cabinet of any day, any group of individuals, the right to pledge the future, your credit, and the credit of your children, and the way it has gone now, your children's children and children's, children's children, and so on down the line, for generations to come, in secret Cabinet sessions, without you knowing anything about it except after the fact, that they would agree with it? So Mr. Speaker, this is the reason for the amendment

and this is the purpose of my introducing or asking the House to approve this Bill in principle.

MR. EARLE: Mr. Speaker, speaking briefly in support of the Bill of the hon. member for St. John's East, the Bill which he has just introduced on second reading, it is quite obvious from his remarks that at the rate of which borrowing has extended in the last few years, on an ever increasing scale, that some brakes must be put on somewhere. I do not think that the people of the Province feel that there is sufficient protection in the borrowing of money on their credit, when done simply by Cabinet and later reverted to this House for confirmation.

The damage has already been done, the money is borrowed and in many cases of course it is spent and committed. This House does not have time to discuss it until after the fact has taken place. There are a few startling instances of that in the past year. If you look at the special warrants requested of His Honour the Lieutenant Governor last year. Special warrants are supposed to be requested only in the case of extreme urgency, when the money must be had and nothing can wait, and this money must not be held up under any circumstances. Then the minister who requests these special warrants must certify that, when he requests the special warrants for the expenditure of his department. This has been said before, but it needs to be repeated. In a couple of instances last year, when we look at the special warrants, what was the immediate Provincial urgency of getting these amounts? There were nearly \$2 million spent in the past year on special warrants for expo-pavilions, the construction of expo-pavilions at Grand Bank, Gander and Grand Falls. Surely these particular construction jobs could have waited until this House met to approve these expenditures and these borrowings. There was not that much urgency to them. The steel in some cases had been lying around on the ground for several years. The story has been told many times about what they were supposed to have cost and what they were going to cost. It is a matter for record that what was supposed to be virtually free will probably end up costing this Province five or six million dollars.

What is the immediate urgency that a special Governor's warrant is required during a current year that this work can proceed? It does seem that in order for the Government not to look foolish, having committed itself to this programme, it finds that the real urgency is to convince the people that this must proceed. Now that may be an urgency on the part of the Government, to improve its image if you like, but it is certainly not an image to the extent that money should be borrowed without the approval of this House, without the prior approval of this House.

Then there is the other very large amount which we are told is being passed over to the Provincial Buildings Corporation, and that is \$27 million which has been borrowed on special warrant, in the past year, for the oil refinery. Now, I am not as familiar as many of the lawyers in this House with the terms of the agreement of the oil refinery. They are very voluminous and need careful study by legal people. It has been stated here in this House that money spent on the oil refinery was supposed to be put up back to back. What the Province put up was put up in like proportion by those who were doing the other segment of the work. In other words, if the Government were guaranteeing \$30 million on the whole job, and the job cost \$150 million or \$160 million, the money should be put up by the other side at approximately the same rate, five times as much. In other words, if we advanced \$20 million they should have advanced \$100 million. There has been nothing said in this House to the effect that that has been done. When this question was raised it was mentioned by an hon. minister on the other side that the money had been committed. Well committed and spent are entirely two different words. When the Provincial Government puts up the money and passes it over it is, to all intents and purposes, put in the hands of the people who are going to spend it.

But a commitment, we have made commitments: We made commitments last year by legislation to guarantee this money, that is a commitment. Had the other people, on the other side of the picture, while we have put up \$27 million, have they put up \$135 million? I doubt it very much. The only evidence we have to show that they have put up anything, or that any money

has been spent at this point, is the minor start at the site itself.

Some engineering, which of course must have taken place in order that this start could be made, and 3,000 tons of freight which arrived in port a few days ago. For all of that, apparently the Provincial Government has to this date put up \$27 million. What was the urgency of this that it required a special Governor's warrant? I should like the Minister of Finance to answer that, because I imagine he was the one who had to request it. It seems to me that it is altogether too loose, and is becoming even more dangerously loose, to allow the Cabinet to vote such huge sums of money and to request such huge sums of money before they get the approval of this House.

There are numerous other instances, if you look through the estimates, where we know, and it will again be evident this year when the estimates are brought down, that certain votes are made which we know are ridiculous. Say a token sum of one hundred dollars, when we know perhaps a million dollars will be spent in the coming year. What is the point of a Government presenting a budget that shows a token vote when they know they are going to spend perhaps a million dollars on that vote, and they only vote one hundred dollars, knowing beforehand what they are going to be committed to spend? They should have the courage to tell the people what the actual expenditure of the Province is going to be in this coming year, not cover it up by some token vote.

I think the people of the Province would feel far happier, supposing the amount extended the budget by another twenty or twenty-five percent, if they knew the Government were actually enlightening the people when the House was meeting, rather than concealing it until the next session of the House, when the damage had been done, and the money had been spent.

I think my hon. friend the member for St. John's East has a valid point in this legislation and I support it wholeheartedly.

MR. SPEAKER (Noel): Shall this Bill be read a second time?

MR. SMALLWOOD (J.R.): Mr. Speaker, we shall vote against it obviously, and sensibly, and reasonably

MR. SMALLWOOD: Every province of Canada, I think, without exception, there maybe one exception, I think, perhaps, Prince Edward Island is one exception, but with that possible exception, every province of Canada, and Canada herself, the Parliament of Canada, and the United Kingdom and virtually all the governments of the world, virtually all democratic governments in this world have the same practice that we have in this Province, and had it long years before we had it. We adopted it because, it became an absolute necessity to adopt it, due to the state of the money markets of the world. The fact that the markets fluctuates sharply from country to country, from year to year, and even from month to month within any given year.

If you have to go on the market to float a bond issue, you ought to be free, legally free to go on at precisely the right moment. And that right moment is the moment that you are advised by your financial advisers to go. We have a syndicate of financial advisers headed by Ames and Company of Toronto. Ames and Company are Canada's biggest financial house. They head the syndicate. The Bank of Montreal is part of that syndicate. The Royal Bank of Canada is part of that syndicate. And in the syndicate are all of the leading financial houses, bond houses of Canada, all of them, making a total of about twelve or fourteen financial houses and banks in Canada. The leading ones of our nation. In the United States the syndicate, the representatives of the syndicate are Hornblower and Weeks-Hemphill, Noyes. Hornblower and Weeks are famous financial house, Hemphill, Noyes are another, and the two have merged as one company, Hornblower and Weeks, Hemphill, Noyes.

In England it is the House of Rothschild, N. M. Rothschild & Sons. A name known and famed and highly regarded in the financial world of the whole world. So with Ames and Company and the Bank of Montreal and the Royal Bank of Canada and the other big finances houses of Canada, and Hornblower and Weeks-Hemphill, Noyes in New York and Rothschild and Sons in London, our financial advisers, they telling us always from time to time the right moment to go on the market and the right market to go on, whether

MR. SMALLWOOD: it be in Canada now, in the United States then, in Germany another time, and in England another time. Whether to go after American dollars in the United States or Canadian dollars in Canada, or Euro-dollars on the Continent of Europe, which are really American dollars obtained in Europe, accumulated in Europe and available there from banks and so on. It is this syndicate that advise us, at every moment, we never made a move by way of approaching the financial market, except precise advise of our financial advisers.

Now, Sir, the time to go on the market is determined by circumstances, circumstances as between one continent and another, circumstances as between one country and another, circumstances as between one time in the year and another time in the same year. And there is no predicting it. Also, Sir, it is determined by the timing of the approach to the market by the other governments. It is necessary for our financial advisers to know when precisely the Government of Canada propose to go on the market for \$200 million, \$300 Million, \$400 million, \$500 million. It is no use our going on the market the day after Canada has gone on the market or the day before. Our approach to the market must not conflict with the approach of the Government of Canada. Similarly, with the other nine governments across Canada, the nine governments all go on the same markets that we go on, and we must not any two of us go on at the one time. Similarly, Sir, large cities Montreal, Toronto, New York, other cities go on the market and we must not go on the market at the time that they do. Also, Sir, great corporations go on the market seeking capital, great industrial concerns, great commercial concerns and then, in addition to all of that, hydro-Quebec will go on for \$200 million, \$175 million, \$250 million. And then in addition to that, the Ontario-hydro will go on the market for many hundred of millions of dollars.

Now, Sir, that, will we leave it to this House? Dare we leave it to this House? The members of this House? Even the members of the Cabinet? Even the Deputy Minister of Finance and the officials in our Department of Finance? Dare we leave it to any of these or all of them together to

MR. SMALLWOOD: determine the right moment to go on the market, and the right market to go on? And the rate of interest to seek, and the terms of the loan? I say, "no," I say, obviously, it would be stupid, it would be stupid in the extreme. The proof that it would be stupid, the proof of that, it is not my saying so, the proof of it is the fact that all other governments in North America have the same practice we have, which is, to ask Parliament by Law to give us the right acting on the advice of our advisers, the experts, acting on their advice, to go on the market at the right moment, not a moment determined by us, by the Government, still less a moment determined by this House. This is the practice of all governments, we are not unique, we are not bizarre, we are not strange or peculiar, we are in line with all the other governments of Canada, of Canada. But, the hon. gentleman wants us to depart from that and be different from all other governments and not rest on the advice of our financial advisers. Now remember this; the financial advisers are our advisers three hundred and sixty-five days a year. This House is in session perhaps forty or fifty days each year. There are 300 days, every year, when this House is not in session, 300-odd days. The old way was for the Government, during those thirty, forty, fifty days that the House was in session, for the Government to come to the House and ask permission to place bonds at a certain rate, which would be spelled out in the Bill that would be brought before the House. And the House would give the permission, the Act would be passed. Each year there was a long Bill, and that Bill spelled out the amount and the time and the rate of interest. We were the only Government in Canada doing it, so we asked the House to bring Newfoundland into line with the rest of the governments of North American and the House did so.

Now the hon. member wants us to go back to where we were before. Deprive the Province of the flexibility, the flexibility which is absolutely imperative. Imperative, if you are going to place bonds at all, Now there maybe an argument you should not place bonds. There may be

MR. SMALLWOOD: an argument that you should not borrow. There may be an argument that it is too big or too small or this or that or the other thing. But, this is not what this Bill deals with. This Bill says that you must be different in this Province from all the other provinces. You must be different in this respect from all the other provinces and from the Parliament and Government of Canada and all the American States and the Government of the United States, and the Government of the United Kingdom and the Government of all the rest of the world. You must be different in Newfoundland, but they have not told us why. Why? Why must we in our financial relationships with the rest of the world in the sale of our Newfoundland bonds, municipal bonds, industrial bonds, why in the sale of bonds, in the United States, in West Germany, in England, in the United States and in Continental Canada, why? why? Why should we be different? Why should we not be guided by our financial advisers as all other governments are? Why should we not have the supreme advantage of proper timing, the timing of the approach to the markets? That we will not go on the market because we are driven to go on, at a given moment just when some other government are on, or just when the rate is rising, and may be a week or a month before we had good reason or our financial advisers had good reason to believe that the rate is going to drop, that it will be possible to float the issue on better terms. Why should we not have that flexibility? All other governments have it. They all have it, remember. All the other governments have it. They have it. They are not asking to have it. They already have it. We have it. We are the same. All the provinces, we are the same. But, why should we be different? Why should we lose this flexibility of approach, timing and placing of our bonds? It could cost this Government, therefore this Province, therefore the people of Newfoundland, it could cost us a lot of money indeed, a lot of money to lose that flexibility.

Anyhow, Sir, it was on the bases of the experience of the Province, on the bases of our actual experience, it was what we had experienced through inflexibility, the rigid system we had before, it was on the bases

MR. SMALLWOOD: of that experience that we asked the House to make the Law what it is today, and the House did so. Now before the House is going to vote, we will hear arguments, and we will listen, and when the argument is all over, we will vote. We will know we will vote, we will vote as we voted before, five, eight, ten years ago, whenever it was, this was done. We have to be shown why, is it? Why we should be different in this regard from the other provinces and we should give up the advantages that they have, and we now have, that we should give up these advantages. Why? So someone should show us why. Do not say ^{it} is because we are a Liberal Government. Because, if you say that, my answer is they have a Liberal Government in Saskatchewan. My answer is they have a Liberal Government in Quebec. My answer is they have a Liberal Government in Nova Scotia. My answer is they have a Liberal Government at Ottawa. Do not say it is because it is not a Tory Government. They have no Tory Governments in those provinces. Why? Why should we be different in this respect? Why should we give up an advantage which all the provinces now recognize as advantages and we know to be an advantage. Why should we give it up? Because the hon. gentleman does not like it? Why? There is no reason given. No reason! So we will vote against this motion.

The speeches

MR. SMALLWOOD:

will go on no doubt and the hon. gentleman who moved the Bill will close with a rebuttal and it will be, all of it, irrelevant, it will be all beside the point, it will have no relevance to actuality, to reality, none at all. It will be just ordinary, old-fashioned political propaganda and in the main Tory propaganda That is all it will be, but it will not bear on the reality. The reality is that it is essential for the Government to have the flexibility of being able to go on the market precisely when the advisers tell us to do so. So we will vote against it.

MR. CROSBIE: Mr. Speaker, that was vintage obscurantism, obscuring the issue. The hon. Premier wants to know why this change should be made back again. The record, Mr. Speaker, of the Government during the past five years is ample reason for this amendment to be passed, in fact it was five years ago that the original Act was amended so that the Government could borrow by Order-in-Council without coming to this Legislature or House of Assembly to get approval of the same. Every argument that we have just heard advanced by the Premier is specious and does not follow through.

This amendment has nothing to do with the Government's financial advisers. This amendment has nothing to do with at what time the Government should approach the financial markets. This amendment has to do with the Government giving people the facts, with the Government ceasing to give a false budget every year and false estimates. What it has to do with is this; Mr. Speaker, that, for example, in the Budget given by the hon. the Premier, at the end of last March, the hon. Premier said in his Budget that we were going to have to borrow this year some \$54. million, \$54. million the Budget said, \$54. million and in that Budget the hon. the Premier said the Government was going to have to borrow \$29.5 million on the bond markets of the world, \$29.5, the other money was going to come from the Canada Pension Fund and from DREE making the total borrowing of \$54. million. That is what the Budget said but what in fact happened?

MR. CROSBIE:

It just so happens that the answer to the question was tabled this afternoon. What, in fact, happened in the last twelve months because of the amendment that this Bill now seeks to reverse, here is what happened: Here is what happened: The Government did not borrow \$29.5 million, as the House was told last March, on the bond markets of the world, no. The Government borrowed \$97.5 million. Under our old system the Government would have had to tell the truth last year. It would have had to say, "Our Budget is going to be out a whack, we are going to have a deficit of \$103. million," instead of hiding the truth and estimating a deficit last year of fifty odd million. The actual deficit, we are told, is \$103. million. The Government actually borrowed \$97.5 million in debentures rather than \$29.5 million, a difference of \$68. million. That was permitted because this Act, the amendment passed in 1966-67 now gives the Government the right to borrow by Order-in-Council. Before the Government had to come to the House of Assembly and get the House of Assembly to approve the borrowing or come afterwards and have it approved. Now the Government can borrow without the approval and what has the Government done in the last five years?

It has borrowed, direct and indirect, in excess of \$600. million at a rate of \$130. million a year, partly because the changing of the Revenue and Audit Act gave the Government a lot more flexibility. Not flexibility to approach the financial markets, flexibility to fool the public when the estimates were brought down and the Budget was brought down each year, as was done in the year that ended March 31st, 1971. The Premier's forecast in the Budget Speech, "\$29.5 million we will borrow on the bond markets this year," actual fact, \$97.5 million. Under the old system we were just as flexible, our financial advisers were just as flexible. If the House approved borrowing of \$50. odd million they went out and they approached the market during the year whenever it was best and they borrowed it, they advised the Government when to do that. That system was in effect from 1949

MR. CROSBIE:

to 1967, a period of eighteen years. Did anybody notice the Province being crippled because that was the system for those eighteen years? Not at all. The financial advisers advised what was the best timing. That has nothing to do with Legislation when you time your approach to the financial markets. That argument is completely irrelevant and has nothing to do with it. What it has to do with is whether or not the House has to be told the truth first and give its approval before the borrowing is done.

Look at the bond issues we have this year, the year that just ended. February 25, 1971 we borrowed \$7.5 million, May 25, 1971 - \$15. million, August 15, 1971 - \$9,750,000., August 15, 1971 - \$5,250,000., November 15, 1971 - \$9. million, November 15, 1971 - \$6. million, March 2, 1971, could not wait for the House to open, \$20. million, March 31, 1971, when the House was open and had been open for a week, \$25. million, total - \$97.5 million. That is the flexibility, The flexibility is for the Government to present a false picture of the House and then go and borrow twice or three times as much during the year without anyone knowing about it until the House opens again. Then ignore the law, then do not file the special warrants that show how much extra the Government spent during the year, do not even file them within the fifteen days, hold them until a racket is made and file them a week late. That is what is wrong with this amendment. Look at the rates that this Province is now paying for money. Look at the effective rate of this borrowing, \$9,750,000. cost us nine and one-quarter per-cent and it cost us 9.40 per-cent, nearly nine and one-half per-cent for our money, to borrow money, the Newfoundland Government; and Nova Scotia borrowing it at at least one and one-half perhaps two per-cent lower than we did.

Then down here, this \$9. million borrowed November 15, 1971, look at the rate. For part of it nine and one-half to nine and one-quarter and for another part 9.65, 9.40, in excess of nine and one-half per-cent that \$9. million cost the people of this island. Then when we look again at the

MR. CROSBIE:

November 15th date we find \$6. million costing us 9.90, the effective rate. The interest rate was nine and three-quarter per-cent and our bonds were sold at a price of \$98.75 for every hundred dollars, almost ten per-cent that borrowing. Why is it costing the Government of Newfoundland so much to borrow money? Because of our record of the last five years of this mountain of borrowing and debt that the Government lashed into in the last five years during the period of so-called tight money, trying to pretend that money was tight when the Government borrowed twice as much in those five years as it borrowed in the seventeen years previously, in excess of \$600. million. That is what this amendment is about, to try to get the House back to a position where at least we will be told what the Government has to borrow, not hear a pretense that turns out to be one hundred per-cent wrong. That is why the amendment is needed.

In addition the answer tabled to this question today, the question is number 246, shows that we borrowed from the Canada Pension Plan during the same twelve months that ended just last March 31st, we borrowed a total from the Canada Pension Fund \$18,858,000. and this does not show what we borrowed from DREE. So that is \$97.5 million plus \$18,858,000., that is in excess of \$116. million, plus the DREE borrowing and the rest of it. Double what the Government said in its Budget just twelve months ago we have borrowed during the year. That is why this amendment is necessary. Now the hon. the Premier -

MR. SMALLWOOD: Would the hon. gentleman permit me to ask him a question? Would he explain to the House why it is that as a Liberal he voted for this and now as a Tory he is voting against it? Could he explain that?

MR. CROSBIE: I voted for this, Mr. Speaker, in 1967 when I was a member of the Government, not knowing for one moment how recklessly, unwisely it would be used. If we could have looked ahead and seen that the Government was going to use that power to borrow hundreds of millions of dollars while

MR. CROSBIE:

it was going to pretend that it was not going to do that at all, I would never have voted for it and I am happy today that I do not have to vote for this. I can vote as my conscience dictates and I am going to vote for the Bill and that is for sure.

The hon. the Premier says every other Province in Canada, he pretends, has this power and the Government of Canada. He may or may not be right, I doubt that he is right. I did not know that this was coming up for debate today so I did not have time to check it. I question it whether they do have that power or not but if they do they seem to exercise it a lot more responsibly than this Government does, a lot more responsibly. We can see that from the way they can borrow money. Nova Scotia, our sister Province, borrows at a rate of 7.35 per-cent or seven and one-half per-cent in March, Newfoundland borrows and the rate is one and one-half, two per-cent higher, why? Obviously why that the people investing their money do not have any faith, that they have less faith in the ability of this Government to assure them that they are going to get their money back. It is a higher risk so they charge a higher rate of interest.

Steinberg's Grocery borrowed in March 1971, has a bond issue, a twenty year bond issue, what does it pay for its money? Eight and one-half per-cent. What does Newfoundland pay for its money at the same time? 8.90 per-cent and 9.05 per-cent. We are higher than the grocery chain, it costs us more to borrow than a private grocery chain. Alberta borrows at the same period, what does it cost Alberta? 6.85 per-cent to borrow and the reason for this, feeling that we are a higher risk, is the Government's record, sorry record of the last five years. The Premier mentions Hornblower & Weeks-Hemphill, Noyes as a member of the financial syndicate, If it were not for the fact that they had to file a prospectus in New York in connection with this \$25. million worth of bonds that were sold on March 15th, to come due on March 31, 1971, the effective date, if it had not been for the fact that these bonds

MR. CROSBIE:

were being sold to the public of the United States of America and that the United States of America has very strict securities and exchange law that requires people who want to borrow money to reveal all the financial facts that affect their credit, if it were not for that we in this House today would not know, Mr. Speaker, that the Government last year had a deficit, not what the Budget said, \$52. million, but had a deficit of \$103. million, and this Government has not yet revealed any of these facts to the House. We, on the Opposition side have had to reveal them, the newspapers have had to reveal them. That is why we need this amendment passed.

The deficit, \$103. million, according to the Government's agents down in New York. There is information in this prospectus that we would never get out of this Government, if we could not have come across this, if the Government did not have to comply with the laws of the United States of America to borrow the money, we would not have half this information. We would not know that the Javelin Paper Mill out at Stephenville had increased in cost \$15.7 million, if it were not for this document, Not one breath, not one word from the Government, not one word of explanation. The Government breaking the law, this Government breaking the law, Every day that goes on now the Government is breaking the law. They will not file the documents, the Melville documents, and their Act requires all these guarantees, contracts to be filed within fifteen days of the opening of the House. The House opened March 22 , this is April 21 a month later yet not a document filed on the Javelin project like the law requires. Why not? The Government defies the law and expects the people of the Province to observe it.

The Government has Legislation, the Industrial Development Incentives Act, which requires the Government to file in this House, within fifteen days from the House opening, all agreements in connection with subsidization of electric power. The Minister of Economic Development told us two days ago there are seven such agreements with ERCO, with Natlake or Burgeo Fish

MR. CROSBIE:

Industries and so on. The Minister has not tabled one of them and he is the Minister responsible for the administration of that Act, He has not filed, He is defying the law, The Government defys the law. They are supposed to be tabled on that table over there, and it is thirty days since the House opened and they are not tabled. Why is this? Then the Premier says that this Bill should not be passed, requiring the Government to come to the House first for approval for borrowing, it would cut down on flexibility. Yes, there is an awful lot of flexibility in the Government. Flexibility to ignore the law, flexibility to refuse to give any facts on our financial position, flexibility to refuse to tell what is happening in these hugh projects we have guaranteed, flexibility to refuse to tell us about the customs duties at Come By Chance, \$118. million worth of machinery and equipment coming from the United Kingdom, on which there is possibly anywhere from ten to twenty per-cent customs duties for which the Government is responsible under the PROCON contract, not a word from the Government as to whether there is going to be any customs duties or not, not a word. That is flexibility,

that is flexibility for you. Thank Heavens the Government had to have a bond offering down in the United States. The Government will scramble anywhere now to borrow money, United States, Europe, EURO dollars, the next stop will be Asia, or Liechtenstein or somewhere. But in the United States they have to comply with the law. If that was not the case we would know nothing about the information that is in here. Come by Chance, Javelin and the actual borrowing of the Government. The death record of the Government:

Here is a statement from the government's agents, the average annual and increase and direct and guaranteed debt of the province and the net funded debt of Crown Corporations over the four years ended March 31, 1970 was \$102,985,000, that is the average each year. Then it goes on to tell us how the government was borrowing \$97.5 million this year in debentures. Not the \$29.5 million promised, \$16 million from Canada Pension, (that is up now) the latest figure tabled is \$18, 850,000 and in addition \$10.5 million from the Department of DREE, and the Government, has guaranteed a total of \$19,337,000. In this House the other day, Mr. Speaker, we were told by the Hon. the Premier how the only debt that mattered to the government was a direct debt, what the government owed itself, \$544 million.

There was another \$307 million guaranteed debt that the government guaranteed and that was a mere hanky-panky, it did not matter at all. The piece of fluff. Should not even be included Why does the Auditor General include it? Because it is a contingent liability of this Province. Why does this prospectus include it, because the Government is required by law to reveal to the public of the United States what its financial liabilities are or might be? The Premier did not add to that the amount, he arrived at \$542 plus 307, \$852 million. He did not add \$55 million more that we have to

guarantee for Canadian Javelin. He did not add the \$130 million that Crown Corporations, that Come by Chance owe, that we are responsible for. When those two figures are added we are up to one billion and thirty-seven million dollars. That is the debt of the government not \$542 million. The Government itself admits - Thank you. The keys of my new office.

MR.SMALLWOOD: What is in that, the keys of the office.

MR.CROSBIE: No booby traps.

MR.SMALLWOOD: I thought it was a pill, I thought my colleague was taking a pill over there.

MR.CROSBIE: I trust there are no booby traps in that office. Mr. Chairman, \$130 million that was borrowed by Provincial Building -

MR.SMALLWOOD: Is that enough now?

MR.CROSBIE: No, I am going to wind up in perhaps five to ten minutes. Borrowed by those two Crown Corporations. The Government itself admits and this prospectus that these are obligations that the Government may very well be responsible for and we know they are.

MR.SMALLWOOD: Not is but may be. If the people who owe it do not pay it we will have to pay it.

MR.CROSBIE: The Province has no legal responsibility with respect to the obligations of the Corporations which will build and own and operate the refinery, other than is specifically set forth above. Nevertheless, such corporations are principally owned by the province and it is possible to conceive of circumstances under which the Province might deem it desirable, voluntarily, to provide financial support for such corporations.

MR.SMALLWOOD: Does that make it our debt?

MR.CROSBIE: It certainly is, that makes it indirect debt, guaranteed by the Government. The Premier, the other day, scoffed at the indirect debt, the guarantees and said that the whole \$307 million would -

MR.SMALLWOOD: I did not scoff at them.

MR.CROSBIE: I interpret it as scoffing. In any event the Premier mentioned \$307 million of debt the government has guaranteed. He did not think it was a serious matter. He said they will never all come due at one time, they will never all go under. We agree they will never all go under at one and the same time. We hope to Heaven they do not. In fact, we are sure that they will not. But, Mr. Speaker, just look at what is happening, look how many of those guarantees are coming due. I think last year the government had to pay up \$1,750,000, from the Consolidated Revenue Fund, on debts that had come due last year, amounts guaranteed by the Government which were not paid by the borrower. We have a question and answer tabled by the Minister of Finance this year, which shows what they had, what the Government had to pay out in the last twelve months in these guarantees. There was a substantial sum of money. I will have the figure here now in a moment, tabled April 13, the Government had to pay up, (I added the figures) in the last twelve months on guarantees of other people, the Government did not borrow the money, the Government did not borrow it itself, it had to pay \$1,433,877 last year, out of the Consolidated Revenue Fund, guarantees that the people defaulted on, \$1,433,877.

Halfway House, Hotel Holdings, Hotel Buildings, Paragon Hotel, Bonavista Recreational Association. Skyways Motel, C.B.Spencer, Ltd. and so on. These were loans that the Government guaranteed that the borrowers were not able to repay, the Government because of their guarantee has to repay them. So, it is true that all that indirect debt is not going to come due at one time. But it is true, also, that there is a substantial amount of it that could come due at one time and it is true also that it is the opinion of financial experts and Auditor's General and of every government that direct and indirect

debt constitutes the debt of the province.

Now when the Premier says that flexibility is needed to apply to the financial markets of the world, that the amendment passed five years ago was needed for flexibility, that is just not so, Mr. Speaker. Our financial experts had every bit as much flexibility before that amendment was passed as they do now. What was required before was that the Government had to get the approval of the House to the amount it was going to borrow or it had to come back to the House and get the House to pass a Bill authorizing the borrowing. So the Government had to be very careful in its estimate. When the Government brought down a budget and said it looks to us like we have to borrow \$50 million this year, a Bill would have to be passed authorizing the \$50 million borrowing by the Government. Now the government does not have to do that. The Government has the right now to proceed by Order in Council. It does not have to be fearful in its estimate, so now what does it do? It does as it did last year, it tells the House gentleman we have to borrow \$54 million, so much from Canada Pension so much from DREE, \$29.5 million on the bond market of the world and then, when a prospectus is filed in New York, we find out the Government actually borrowed, because of the amendment that was passed five years ago, actually borrowed \$97.5 million in the bond markets of the world. \$18,850,000 from the Canada Pension Fund and so much more from DREE double what they had told the House.

In other words, what the previous amendment permits is what the Government has done for the last five years. Excessive borrowing, because it does not have to be debated in the House. Low forecast, incorrect forecast to the House as to what the Government will borrow in any one year. Low estimates, estimates that are improperly prepared, that do not give an accurate picture, such as last years where the Government put in \$100 for Expo Buildings, where we over here said "no,

you are going to spend a lot more than that." Where the Government said "no, Mr. Lundrigan is going to finance it, we will not have to spend any more than that." Then when the supplementary warrants, when the Governor's Warrants were tabled a few days ago we discovered that approximately \$2 million was paid out by the Government on ~~Exp~~ Buildings last year. That is what this amendment of 1966-67 permits. As a member of the Government I voted for it, I should never have done it, as the record turns out, I should never have voted for it. Now a Bill before the House to reverse that I intend to support and whether every government in Canada has similar legislation, which I very, very seriously doubt, whether that is so or not, the record of the Government shows that it cannot be entrusted with the discretion, as other governments, it does not use it wisely. It uses it imprudently. It uses it in excess. It will do so again. It has borrowed over \$600 million the last five years, direct and indirect. It has to be gotten under control, the power is needed back in this House and, therefore, Mr. Speaker, I think the amendment is a wise one and I intend to vote for it.

MR. HICKMAN: Mr. Speaker, if I may have but just a few words on this Bill: The hon. members who have spoken very ably and simply set forth the reasons why this Bill should receive the support of hon. members of this House. The issue, Mr. Speaker, is not whether Government or indeed Messrs Hornblower & Weeks or Aimes & Co., should have control of the timing when Government goes to the market. Any prudent Government must rely on the advice of the financial institutions as to when it is an appropriate time to go into the market. That is fundamental, so elementary that it is not worthy of debate. But that is not the issue, Mr. Speaker, because what we assume is that when this House approves the budget that is brought before it by Government and when hon. members, in the exercise of their absolute power of the purse,

which is the prerogative not of Government but of this House, when they exercise their prerogative and when they, out of their generosity and in their wisdom, decide to give government authority to borrow the monies that are set forth in the budget and in the estimates for the purpose it so intended, then I believe that this House is entitled to assume that, in the exercise of the authority that has been conferred on government, it will then use ordinary commonsense and ordinary prudence and seek the advice of the financial institutions throughout the world, and those with whom they deal and will be very cautious and very careful not to enter the bond market at the wrong time.

Mr. Speaker, that is not the issue that this Bill deals with, because we have no complaint or we cannot complain when once the House of Assembly confers this power unto the Government or gives them these rights. Our complaint is that this power has been abused. It has nothing to do with the right of entry into the bond market or the prudence of entering at an appropriate time. What it has to do with us, the situation where Government borrows money considerably in excess of that which their masters, the House of Assembly, the members of the House of Assembly, authorize them to do. There is where we believe and, as was so ably said last year by the hon. the member for St. John's North, that if we decide or if we allow legislation to remain, particularly legislation that has proven to be inoperative and abusive of the rights of this House, if we permitted this legislation to remain on the statute books then in effect we are taking away from the House of Assembly the most fundamental reason for which this House was created, as when the power of the purse goes the House goes. There is no need to have it any more. If we have not the right to decide, to the last cent, as to how money is going to be spent, as to how the taxes of Newfoundlanders will be spent, when and where, then, Mr. Speaker, you know we do not have any more responsible government, what we have at the very most is a

cross between a representative government and a commission of government, with the later type of government seeming to be more in vogue than the former.

Mr. Speaker, this is all this House has. Surely any government can, within reason and within a great degree of accuracy, predict and project its requirements for the coming fiscal year. There are items that you cannot project. You cannot foresee times of serious unemployment when welfare costs will suddenly escalate and they must be met. These things can be dealt with by way of a supplementary supply Bill. These things cannot be projected. Health, welfare, these demands have to be met. If we have a season of high unemployment, like we have today, they must be met, they are open votes. But this is not what this Bill is all about, Mr. Speaker, this Bill is basically about borrowing for capital expenditure, for capital account. And surely the Hon. Minister of Public Works, having received submissions from his

MR. HICKMAN: ministers or his colleagues, and surely if there has been any planning and if there is any belief or if anyone subscribes to the policy of planning, the Government must know, before it brings down its budget, what it will require this year. So, if it comes in and makes a case to this House, and says, we need authorization to borrow \$3 million or \$4 million or \$10 million to build a new hospital at Carbonear, then this House says, fine, we now authorize you to borrow the money to build the hospital at Carbonear. That is what this House is for. But, if it comes in and does not disclose this in its estimates, then where does it get the right, where does it leave the House of Assembly? It leaves the House of Assembly in a position where we are not being warned, Mr. Speaker, a rubber stamp for something that has already been done.

If I interpret the approving nod by the hon. the member for St. John's North, and if I re-read his speeches, as I do at least once a week, when the House is opened, because he did such a masterful job of setting forth the position of the House with respect to expenditures, then it seems to me, Mr. Speaker, that one would be hard put to vote against this this Bill and at the same time say that we have here a Democratic House of Assembly and a Democratic System of Government in this Province.

MR. N. NOEL: Mr. Speaker, I wish that everything I said in this House made the same indelible impression on all members of the House, as the few remarks, I had to make on the power of the House over the spending of money, had on the hon. the member for Burin.

It is a great credit to me, I think, I take it as a great compliment that he remembers so well the words that I said. I hope now that he also pays attention to what I am going to say now.

As I see it, Mr. Speaker, this Bill is simply a Motion of non-confidence in the Government in ^{the guise} of a Bill, and nothing else. Nothing else at all. The only real argument put forward by the member who introduced the Bill and by those who spoke in favour of the Bill, were simply the fact that they do not think that the Government, at the present

MR. NOEL: time is handling the financial affairs of this Province in a proper manner. That is the guts, that is all there is to this particular Bill.

Now we have had that Motion before the House before, and the majority of the members of this House voted confidence in the Government. The hon. the member has made much about the control of the purse. The fact of the matter is that every item of the Government expenditure comes before this House, sometimes it is true, in the form of a token grant. And even this afternoon, in a few minutes. I hope, the members of this House will have an opportunity of expressing their views, once again, on what they think of the Government's financial policies and the way the Government are handling the money which is owned by the taxpayers and people of this Province. So that what my learned friend from Burin had to say is quite correct; that this House does control the expenditures of money, this House does control the raising of money, and controls the Government in the spending of money- And right now, on the floor of this House, the members of this House are going to be given an opportunity, once again, of deciding whether or not they favour the way in which the present Government are handling the financial affairs of this Province. Thank you!

MR. W. MARSHALL: Mr. Speaker,

MR. SPEAKER: If the hon. member speaks now he closes the debate.

MR. MARSHALL: Mr. Speaker, just to answer just a few of points which were made, with the anticipated Tory talk, which I hope will tell the whole Tory, as it were. I am not speaking, as the hon. the Premier indicates, I am not talking of special loans, as such, special individual loans, about interest rates, etc. All I am asking this Government to do is to tell the people of this Province, through the Legislature, to tell the Legislature and the people of this Province the amount that they are going to borrow in any given year, before they actually do it. And in order to do this, Mr. Speaker, in order to do this, it is going to be necessary, in order to

MR. MARSHALL: force the Government to do it, is obviously going to be necessary to put a break on the Government. The break, this chain on the Government, this vehicle which it is driving now rather madly, borrowing money right, left and centre.

The argument that this House meets some thirty, forty, fifty, sixty days a year and the residue of the year it does not meet, completely and absolutely invalid. That argument may have pertained, certainly would have pertained four or five hundred years ago. Maybe even ten years ago, but not in this day with the improved transportation communication which we have. There is no reason at all why the Legislature should not be able to pass upon these particular instances.

The hon. the member for St. John's North has stated that this is an non-confidence Bill. Well, as such obviously it will be. And that the main reason, the only reason given is because of the fact that there is an allegation that the powers that have been delegated have been abused. It is that, Mr. Speaker, admittedly. They have been abused, and they have been abused abysmally. If you look at the calculation of the debt, you will find that since this Act was passed in some five short years, approximately at least, at the very minimum sixteen percent to eighteen percent of the entire debt of this Province was incurred as a result of Cabinet determination, in the secret Cabinet meeting.

The business of flexibility, as the hon. the member for St. John's West has indicated, on which the Premier dwelt for so long, about the financial institutions of the world and about the various lending institutions, as the member for St. John's West has shown has absolutely and completely nothing to do with it. It is absolute and complete balderdash to bring it up, Mr. Speaker. The situation, the pure plain truth of the situation is this, is that the people of this Province have a right to know how much money this Government is going to borrow. It has a right to know when the Government are borrowing and to be informed of the purpose. And no Government in our Western Democracy should be able to borrow, the amount of money, in Cabinet, that this Government have borrowed

MR. MARSHALL: in the past year alone. And I am talking about relatively speaking, do not forget that this Province has a debt of over \$1 billion. And last year \$68 millions of this was borrowed in the Cabinet. That it is essential, absolutely and completely essential to the well-being of the citizens of this Province and to the conducting of Government in a proper manner, that this power be rescinded:

Much has been made about the fact that every government in the world, every government, western government, or western style democracy in the world has legislation exactly the same as this. And I doubt this very, very much. Certainly governments in this day and age may have legislation empowering the government to negotiate the most favourably terms of repayment, the most favourable interest rates as such. But, I doubt very much whether all governments in the Western World give a blanket, a blank cheque, as it were, to the Government, because this is what it amounts too, a blank cheque to the Cabinet to borrow as much as they want to and to spend as much as they want to. I am not trying by this Bill, Mr. Speaker, to deprive the Province of any flexibility in its borrowing, in borrowing transactions. The people who want to lend the money will lend it anyway. I am not trying to deprive the Province of anything. What I am trying to do is to save the problem that we are getting into, some of our fiscal problems, do not treat the people as infants, tell them what it is all about, if you are going to borrow large amounts of money. I mean this is what the wars were fought about, so many, many years ago; that the power of the purse, as the hon. the member for Burin has indicated, and the hon. the member for Fortune Bay indicated, lies with the legislature. And what we have done, by this Bill in 1966, was dilute and take away the power of the Legislature. And all really what we are asking is for this to be given back, to restore it, for Democracy to be restored. It is particularly necessary in view of the misuse and abuse of the powers of this Cabinet since that time.

MR. SPEAKER: The motion before the House is that this Bill be now read a second time. Is the House ready for the Question?

I declare the motion lost.

MR. SPEAKER: I am thinking about the procedure in an instance like this. If this Bill stays on the Order Paper there is a regular procedure for dealing with the matter. Now the question has been negated, the proper procedure in this matter, it is suggested, would be to propose that the word "Now" be left out and other words added. I have not heard that motion. This is not solving anything, yes or no, to the question that this Bill shall be "now" read a second time. It should come in this form, if I may take the liberty of suggesting to the House which way it should be done! "That the word 'now' be stricken out, and whatever the words after be added should be also included in the motion."

The motion is that the word "now" be left out and the words "six months hence" added, which would make the motion read that this Bill be read. We have to put the motion that this Bill be "now" read or that the word "now" be left out. That is the first motion that has to be out to the House.

MR. CROSBIE: Mr. Speaker, on that point, the hon. the member for St. John's East closed the debate - how can an amendment be moved after the debated is closed?

MR. SPEAKER: The debate was closed. Then we have the motion. This is a different matter, dealing with the motion that the Bill be now read a second time. You cannot make an amendment to the motion that the Bill be read a second time, but when we say that the Motion before the House is that the Bill be "Now" read a second time. That is the question that is proposed by the hon. member and this is the Motion put to the Chair. What we should do, and the correct procedure, is to have the word "Now" deleted and other words added, whatever they are to be is a matter for the mover to decide. But the question to be decided is: Is the Bill to be read now?

MR. SPEAKER: The motion by the hon. member, very generally is that the word "now" be left out and other words added. In practice and as we have always done it or I believe we have always done it, the first Motion before the House is that the word "Now" stand as part of the question.

This is the question before the House at this moment.

Shall the word "now" stand as part of the Question? In other words, is the Bill to be read now?

Those in favour that the word "Now" remain as part of the Question please say "aye", contrary minded, "nay". It is my opinion that "Nays" have it. I now put the motion that the word "Six months hence" be added. In other words, the amendment to this is that the Bill be read a second time six months hence.

MR. SPEAKER: I declare the motion carried.

Second Reading of a Bill, "An Act To Provide For Compensation Of Employees Affected By Declaration Of The State Of Emergency By St. John's Municipal Council." (Bill No. 48)

MR. MARSHALL: Mr. Speaker, this is a Bill that does not require too much explanation. The explanatory note indicates that this Bill would prohibit penalization of workers affected by declaration of the state of emergency by the Municipal Council of the city of St. John's between 8:00 P.M. January 17 , 1971 and 6:00 A.M. January 19 , 1971 and confer upon employees rights to have wages recovered similar to those provided under the Minimum Wage Act. Now by way of explanation, Mr. Speaker, this period of time 8:00 P.M. January 17 , 1971 and 6:00 A.M. January 19 , 1971 there was a very, very severe snow storm in the city of St. John's which caused the Council through the Deputy Mayor, at the time, on the Sunday, to declare a state of emergency and to urge all citizens to stay off the streets and certainly to keep vehicles off the streets and, I think, in fact, to stay off the streets and indoors themselves.

Now as a result of this there was some doubt as to the validity of this particular decree, by the Deputy Mayor, at the time. Of course, nobody can fault the Council, in the circumstances at the time, from taking the action required. It was a responsible type of action. But the results that had pertained had been painful to some people and as a result of this most, I must say, most of the firms, most of the employers in and around the area of St. John's did pay their employees for the time that they were not at work at this particular time. It is to be borne in mind that it was through no fault of the employees, as such, that they were not in attendance. As a matter of fact, there are instances where employees, persons were actually turned back on the road. There were some people turned back on the road by the RCMP and/or the Newfoundland Constabulary in exercise of the

MR. MARSHALL:

decree under the state of emergency declared by the city of St. John's. The situation was recognized by the Government itself, by providing the offices of the Emergency Measures Organization, to make it available to the city. No it was not actually recognized but it was almost a tacit recognition. As I say, most employers behaved responsibly and charitably and paid the employees involved, paid them, but unfortunately some of them did not and legally, I suppose, they are not bound, if the employee does not turn up for work, so they can dock his wages for that period of time.

It is worthy to note and necessary to note that one of the most unfortunate incidents of this, of failure to pay, comes from the Canadian National Railways itself, who have failed to pay a lot of their workers in certain categories, as a result of this particular snowstorm and the declaration. Now what the Act seeks to do is to regularize the situation, to stipulate that no employer shall penalize any employee, by non-payment of wages, deprivation of vacation time or any means whatsoever, by reason of an employee not reporting for work during this particular time. It goes on to provide that, even though the employee was not there, for all purposes of this Act he shall be deemed to have worked during his regular working hours.

An Act is not good, of course, without sanctions and the sanction placed in the Act casts a duty upon the Government, which, I think, is a fair one, the same type of duty as is contained in the Minimum Wage Legislation, that in the event that an employer has not paid the wages it is incumbent on the Government, through the Minister of Labour, who is the same Minister in charge of the administration of the Minimum Wage Act, to have the same steps taken as would be taken to collect the minimum wage, that is to have the duly authorized officer of the Department of Labour investigate, as they go around investigating, payment of the proper types of wages. Certainly they will go in when there has been a complaint, and they around anyway, I understand, just as a regular check. If payment has not been made, if any

MR. MARSHALL:

employer has not paid the person as a result of this, in other words if there has been any net loss at all, then the official of the department reports to the Minister of Labour and the Minister of Labour is charged with the responsibility of informing the employer and requiring payment. If the employer does not pay, then a complaint be laid with the Minister of Justice and the proper type of prosecution, the same as the Minimum Wage Act.

Now this is a chance, I suggest, Mr. Speaker, there has been an awful lot said from time to time about the Opposition and all the Opposition wants to do is oppose; now this is a chance, the hon. member for St. John's South has agreed but I am sure the hon. member for St. John's South, who has many of his constituents working at the CNR who are adversely affected by this, who will want and I am sure his constituents will be watching with some interest to see whether he supports it) but this is an opportunity for the Government now to show or the Government to approve a measure. Do not oppose it just because it is being brought forth by the Opposition. I would suggest that this is a very necessary bit of legislation but, of course, it goes further than that. This Government may well turn around and say, "All right, we will pass it and we will give approval of it because this happens to be election year," and they may think, I do not know it remains to be seen, they may think that they should support it.

However, it requires more than the supporting of it. After the Bill has been passed, of course, it will have to be enforced in order to be effective at all and has to be enforced and the Government has to show that and should assure the House that it will have the courage to enforce it against all, including that indomitable entity the Canadian National Railway, from which this Government seems to faint and fall away from time to time. Now there is absolutely no reason, I would say, Mr. Speaker, why this Bill, which is a beneficial Bill, social legislation, should not pass.

MR. SMALLWOOD: Before he sits down, would the hon. gentleman tell us in a

MR. SMALLWOOD:

paragraph what the Bill would do?

MR. MARSHALL: Well, if the hon. -

MR. SMALLWOOD: Baby talk now.

MR. MARSHALL: In baby talk -

MR. SMALLWOOD: Make it simple.

MR. MARSHALL: All the Bill will do will be to assure that the Government takes the same responsibility for collecting the wages of persons who were not paid their wages, had deductions from their wages during this snowstorm, to take the same action as it would to recover this as they would take to recover a minimum wage, if less than the minimum wage have been paid.

MR. SMALLWOOD: How would you know who was paid and who was not?

MR. MARSHALL: The same way as you would know when you enforced the Minimum Wage Act, the inspectors go around from time to time -

MR. SMALLWOOD: That is when somebody complains, somebody complains and that is how we get to know. How are we going to get to know whom the merchants paid and did not pay?

MR. MARSHALL: Well, you can certainly turn around and look at it but I am sure there will probably be some complaints. As it presently exists now, if anybody complains to the Minister of Labour at the present stage he cannot do anything.

MR. SMALLWOOD: We could issue a statement saying that anyone who did not get paid let us know. Then with this Bill passed, what could we then do?

MR. MARSHALL: When this Bill is passed and somebody complained, then you could take the same action as you do under the Minimum Wage Act, require the employer to pay the employee the wages that they did not get and, if the employer does not do it, to take the sanctions under the Minimum Wage Act.

MR. SMALLWOOD: Would the hon. gentleman be willing to add a - Mr. Speaker, if I may? We are sympathetic with this, we are not out of sympathy with this Bill but we see some difficulties in the enforcement of it and if we

MR. SMALLWOOD:

can find a way to do that, perhaps the hon. member would be willing to add a paragraph, He cannot do it himself, perhaps one of his colleagues or someone here, as the mover of the Bill he cannot move an amendment to it, someone else would have to do that, but would he agree to an amendment to the effect that it comes into effect upon being proclaimed? This would give the Department of Labour and the Cabinet some little time, we would not want much time, but some little time, amidst the million other things we have to think about now in the busy time, to find some practical way to enforce it. Would the hon. gentleman be agreeable to that?

MR. MARSHALL: I certainly would agree that it await the proclamation to be enforced.

MR. SMALLWOOD: It will come into effect upon being proclaimed by the Governor-in-Council.

MR. MARSHALL: Right but at the same time I would hope, I know it is a small amount of money in relation to the whole of Government spending, I hope it would be proclaimed as soon as possible and enforced with some vigor, because the amounts of money that have been deprived from these people have been, in my opinion, far too long and I think the hon. Premier will agree.

MR. SMALLWOOD: Before the hon. gentleman sits down, it is still the same speech, Mr. Speaker, I am just asking him some questions. Is he quite confident, from a study of the Minimum Wage Legislation, that the steps that could be taken under this Bill, if similar to those that could be taken under the Minimum Wage Legislation, would be sufficient? How much power would we have if this Bill passes, real power?

MR. MARSHALL: Well, you would have the same power as under the Minimum Wage Act.

MR. SMALLWOOD: Well, how much is that, that is what I am asking?

MR. MARSHALL: Well, I will tell you that now when I can locate them. The power you would have, the Lieutenant Governor-in-Council would appoint an

MR. MARSHALL:

officer, the same way as the Lieutenant Governor for the Cabinet appoints an officer in the minimum wage. That officer will have the power to enter upon the employers' premises from time to time, the power to do an audit to determine the amount of wages and make inquiries to determine the amount of wages unpaid and, if the employer refuses to pay, to report it to the Attorney General, who will direct payment, in the event that payment is not made then there is prosecution and there are similar sanctions as under the Minimum Wage Act. There maybe, I have noted some Legislation going through with respect to the Industrial Standards Act, which change.

This I might say, Mr. Speaker, the powers and sanctions to which I refer are pretty well taken verbatim Section (5) of the Act which contains the powers and sanctions and the enforcement provisions. They are pretty well taken verbatim from the kindred provisions of the Minimum Wage Act itself. As I say, I would hope that it would be certainly, one of my hon. friends right here, on the other side, would probably propose the necessary amendment and I look forward to the Act being proclaimed and enforced with vigor and quickly.

MR. EARLE: Mr. Speaker, I would be happy to move the amendment and in so doing I think that - It is not the correct time to move it at the moment? Well, if I may speak to the Bill for just a moment? I think the hon. member for St. John's East, in introducing this Bill and speaking on it, and outlining the powers of the Minimum Wage Board must most certainly know what he is talking, because these are pretty widespread and are certainly used, a big stick is wielded without mercy in other cases which are far less important than this.

It was brought to my attention the other day, for instance, that a young man working with a certain institution, who was a very dubious sort of employee, after four months work stayed off for a week, no illness or no excuse. He turned up seven days afterwards and, of course, as this had been a repetition

MR. EARLE:

of several other cases, instances of the same sort, the manager said, "Well, I am sorry boy, you are not wanted. You have been no good, so good-bye." The young chap in question went to the Minimum Wage Board and said he was entitled to payment for this time off and the Minimum Wage Board phoned the employer and said, "He is entitled to four per-cent of his wages." Now in this case the employee was absolutely no good, he stayed off without notice and he was given summary dismissal when he turned up but yet, in spite of that, the employer had to pay four per-cent of his wages.

AN HON. MEMBER: Yes, vacation with pay.

MR. EARLE: Vacation with pay. Well, all I am saying, Mr. Speaker, is that if wages can be recovered for an employee in an offense of this nature, most certainly when something happens through an act of God, which is further complicated by an act of the Municipal Council, that the same steps could be taken to see that these people are paid.

AN HON. MEMBER: (Inaudible).

MR. EARLE: Well, I should think there could be regulations made that it could be covered.

MR. CROSBIE: Mr. Speaker, I just want to support the Bill and congratulate the hon. member for St. John's East for drafting it or thinking of it. I think it is quite right and proper that people should not lose their wages if the council declares a state of emergency and they, therefore, stay home because that has been declared. It would certainly be unfair to them to be penalized on that account and I think it is very decent of the Government -

MR. CROSBIE: the Government to accept the Bill proposed.

MR. SMALLWOOD: If the hon. gentleman will allow me, we do more than agree with this legislation, we paid it. We paid our employees. They were paid, they did not need this law.

MR. CROSBIE: Exactly. That is right. The Province pay their employees anyway, and this would not be binding on the Government and it would not need to be. So Mr. Speaker, I just want to say I support it and congratulate the Government on accepting it.

On motion a Bill, "An Act To Provide For Compensation Of Employees Effected By The Declaration Of The State of Emergency", by St. John's Municipal Council, read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Motion second reading of a Bill, "An Act Further To Amend The Legislative Disabilities Act".

MR. MARSHALL: Now Mr. Speaker, this is an Act that would not cure all our ills but could go a long way to curing some of our ills, a long long ways.

The explanatory note says: They know what is coming, Tory talk and we will tell the Tories, as I say, in a moment. The explanatory note, the effect of the amendment would be to prevent Mayors and Councillors holding office in a Municipality while being a member of the House of Assembly. In other words, it would make a person ineligible to sit on a Municipal or City Council and sit in this House at the same time. They can run for election, but having been elected, their seat will be vacated, in accordance with the provisions of the Act. And the other item of it is to bring the rules of tenure, in the House of Assembly, in line with accepted retirement practices of today. Now we all know that the retirement age in all commercial businesses, in most field of human endeavour, is now down to 65 and is now going down to 60. There have been, from time to time, positions in Government on the judiciary, etc. where one could go on until one became the age

MR. MARSHALL: of Methuselah as it were. This has been stopped now particularly with respect to the Supreme Court, the retirement age is seventy-five and the retirement age that they are considering bringing the retirement age of judges down to seventy. But there is no provision Mr. Speaker, for retirement, I do not see why and I mean this seriously. I do not see why, members of the House of Assembly, particularly the House of Assembly of this Province, where we are in such a dire economic and fiscal position, where we need the youth and energy and the zeal to tackle our particular problems.

It would appear to me that certainly the same rules should apply with respect to this House of Assembly and the sections of this Act say no person, the other section beside the disqualification of people serving on the Council and serving here, that no person should be eligible to be elected or sit or vote as a member of the House of Assembly, who shall have attained the age of seventy years, on or before the date occurring two years after the election in which that person would otherwise have been eligible to contest.

Now this is not given in a jocular fashion, this Bill has been introduced with a serious purpose in mind. There are many people who have had to retire from time to time, to be let out to pasture, as it were, and there would appear to be absolutely no reason, when you look at the Government side of this House and you have so many, excluding the member for Bonavista South, the hon. member for Bonavista South, I would like to set the records straight on that, Mr. Speaker, that I was incorrectly quoted in the daily papers as saying that the hon. member was over seventy. Everyone knows that the hon. member looks many, many years less than seventy. But there are other people in this hon. House, Mr. Speaker, other members in this hon. House who are now over seventy, who have served their Country well and served their Country to the best of their ability, to the very best of their ability, but it is certainly time for younger people to take over and it is apparent

MR. MARSHALL: that these gentlemen, of this particular age, are not going to give up the reins or are not going to give up the reins until the election is called. This is really a bit of social welfare legislation as well, because it can be deemed to be as a kindness to the individuals concerned. Here is your opportunity now to vote and avoid the inevitable happening which is going to occur sometime this year and is going to be very, very hard for you to take. We will all feel very sorry when it occurs and this is what really we are trying to do. But seriously, Mr. Speaker, the situation is that the Government, the reins of Government, the direction of the Government, must come at all times in the hands, must fall at all times in the hands of younger people. The problems are becoming much more complex and I think, with the greatest respect to all involved, we have seen in recent times that the particular problems that have become aggravated because of the actions that have been taken, certainly by the persons involved, are too much for them.

With respect to the other item, the City Council, from time to time we have seen Councillors from various Councils all over the Island run for election, as I say, there is no impediment in this Bill to prevent them from running, but once elected there is certainly a divergence between the interests of the Government, the Provincial Government as such, and the local Government or the Community Council or what have you. And it is time, I believe, I understand it has been recommended in one report, I am subject to correction on this, but I understand it has been recommended that a person not occupy two positions at once. Which should be. We had an instance here before and I think it was in the 1962 election, but I am a bit too young to even remember that, but it was around the 1962 election, we had people sitting here in the House who, and I do not know how many Community

MR. MARSHALL: Councils they represented, But certainly with respect to the City of St. John's, there were six members of the Council at the time and I think all but one offered themselves for election, Three of them, I believe, were elected and sat here and the situation is not good. We hear certain rumblings about the possibility of it happening again, and certainly my main interest is in the City of St. John's itself.

I think this City is far too big and that we have to recognize that there are two levels of Government even though the City Council or eight Community Councils always have to be subservient to the Provincial body from whom it delegates its powers. But we have to be a little bit more mature in our outlook with respect to the Municipal Councils in order to foster the optimum of community involvement and I do not think that this could come about if a person occupies two seats, wears two hats.

Here is the amendment then, that will require retirement of people when they get over seventy, when they get to that distinguished age, and to prevent people from occupying two seats in the Government.

MR. SMALLWOOD: Mr. Speaker, I am delighted with this proposal because I have been running over in my mind what I should do about it. What position should I take? Should I vote for it? Now it is a difficult decision to make. There are so many ways. I have been jotting down some of the ways I can think of of committing suicide. You can take poison, that is a fairly quick way, a sure way of committing suicide. You can drown yourself. That is two ways of committing suicide. You can shoot yourself. That is three. You can hang yourself. That is four ways of committing you can leap out of the top storey of Confederation Building or the eighth floor. You can jump out from the eighth floor of Confederation, or you could inhale carbon monoxide, close down the windows of your car and bring in a tube, and they say that is an easy way to go. A rather

MR. SMALLWOOD: odd way is to commit hari-kari. Now that is taking a sword and sticking it in your stomach and turning it and letting your entrails out and just die. It is a rather dirty and untidy way to commit suicide. Another way is to just vote for this Bill, which is the easiest of all. Just stand up and vote for the Bill.

Well you know I have no desire to commit suicide. I am peculiar. I am a strange sort of person. I have no overpowering desire to commit suicide, I love life too much and I love political life too much and I love working for this Province night and day, as hard as many man who is working in Newfoundland at anything, I am working that hard for this Province and I love doing it. So I do not propose to commit suicide. Mind you now, if the people of Newfoundland, when they have the opportunity, decide to retire me, that is their right and I will accept it without murmur but until they do I do not intend to let the young hon. gentleman from St. John's East do it. I may help to retire him but I will not commit suicide.

Now this business of a man occupying an office as a Councillor or even Mayor of a town or city and a seat in this House as being inconsistent, I cannot accept. I see nothing inconsistent in it. I remember, in the House of Commons at Ottawa, seeing the great Mayor of Montreal occupy a seat. He was Mayor of Montreal and at the same time he was a member of Parliament in the House of Commons at Ottawa. Another Mayor, the Mayor of Vancouver, occupied a seat in the House of Commons while he was Mayor of Vancouver and he held both offices at the same time. We have had men in this Chamber, even in this new building, who occupied seats here, elected by the people to represent a constituency, who also held office in the City Council. I think, Mr. Speaker, that that is a matter for the people. I think that should be left strictly and severly to the people of the constituencies. If the Mayor of St. John's, or of Corner Brook, our two Cities, or any of the two hundred Mayors we have throughout the Province or any of the

MR. SMALLWOOD: thousand or twelve hundred Councillors we have, who have been elected to their respective Town Councils, wish to offer themselves for election to this House, I say leave it to the people to make that decision, not us, we should not make it, It would be wrong to decide that a Newfoundlander cannot serve in the House of Assembly and at the same time in the City or Town Council, leave that to the people, let the voters make that decision, not us here today.

Now as for not permitting men to serve in this House after seventy or to run for this House after the age of seventy, I have been thinking about that and I have been thinking about the men who, if that were done, and if that were law and the law were to be universal, what would happen if men when they reach the age of seventy, if they are in good health, if they are strong mentally, physically, if they are in good shape and there are men of seventy who are in far better shape than men of thirty. I know men of thirty, and I know other men of forty, quite a few of fifty, who are not as robust as vigorous and with as much stamina of mind and body as some men I know, as for example the Attorney General of this Province. Look at him, he looks far younger than the hon. member for St. John's East, far younger, he looks fresher he is indestructable, physically and mentally, and he outweighs the hon. young light weight. He is not even in the same class and yet he is seventy-five years of age. You do not go by the calendar. Man is not as old as the calendar says. A man is as old as his blood stream. He is as old as his blood pressure. He is as old as his strength of mind and body. Just look at some examples. Go as far as you can, go West in this Nation and you come to British Columbia. A man was just elected the other day, and he is seventy, for a new five year term. Wacky Bennett, Premier of British Columbia, just elected for a new term, and he is over seventy and the people of British Columbia do not agree with the hon. member. They have just elected, to be the Chief Executive of that great Province, one of the greatest, richest and strongest Provinces in Canada, . fast

MR. SMALLWOOD: growing one, and one that imposes on its Premier enormous burdens . of responsibility and Mr. Bennett, having passed the age of seventy, offered himself for another five year term and when his term is up he will then be the same age as the Attorney General

MR. SMALLWOOD (J.R.): As the Attorney General of Newfoundland is today, what is wrong with that? Let me give the House another example. One of the three or four women in the world who are Prime Ministers is Mrs. Golda Meir, the Prime Minister of Israel, one of the most troubled lands in the world is it not? Is Israel today in one of the most unenviable positions of all the countries of the world, and the leader of the Government is this lady, Mrs. Golda Meir, who is seventy-two years of age. Would you bar her? Do not tell that to the people of Israel. They want her and her seventy-two years of experience, they want her to be the head of their nation.

Pope Paul, the most energetic Pope of the present century, I do not think there has been a Pope, the Bishop of Rome, the head of the Roman Catholic Church, the largest christian church in all of christendom seventy-three, the most energetic Pope, and he is seventy-three years of age. Would you say he should not be Pope? No one should be Pope who passes the age of seventy? How silly can we get, how silly can we get?

Roy Thompson is seventy-six, and he is running actively the greatest newspaper empire that the world has ever seen. one hundred and twenty daily newspapers in eight or ten different countries, and three or four continents, and that man of seventy-six is running them.

Walter Ulbricht, seventy-seven, leading the great East German Nation, and leading it very successfully, at the age of seventy-seven. But there is a more distinguished man seventy-seven going on seventy-eight years of age. He is ruling a nation which is one quarter, which is the largest land mass of our world, and contains one quarter of the human race, 800 million people, Mao Tse-tung. Mr. Mao, Mr. Mao, running a nation of 800 million. I do not know what he would do - Chairman Mao...

AN HON. MEMBER: Chairman Joe.

MR. SMALLWOOD: With Cahirman Joe, but Chairman Mao is a newcomer, he came into office in China, four or five months after I did. I am his veteran and the first time I meet him I am going to compare notes, say, how long

have you had the job?' He will tell me proudly that he has had the job twenty-two years. I will say, "exactly how long, how many years and months?" Then I will show him that I have had the job four, nearly five months longer than he has, seventy-seven years of age.

General Franco is seventy-eight, and that is a great nation. Spain.

Marshall Tito is seventy-eight, and he is able to run Yugoslavia.

Eamon Devalera, the President of Ireland, is eighty-eight. Eighteen years older than seventy. Eighty-eight years of age, and blind. I sat and talked with him in Phoenix Park, the famous Phoenix Park outside Dublin, and he was at that time eighty-five. Now he is three years older, eighty-eight you tell the people^{of} Erie, go over to Ireland and tell them that Eamon Devalera that (Dev) is too old, that now that he is seventy he should be out. Now that he is eighteen years more than seventy he should go. Go over and tell them that. Try to get that kind of a law passed.

General DeGaulle ran the great Republic of France at the age of eighty-one.

Ben-Gurion ran Israel at the age of eighty-one.

Konrad Adenauer ran Western Germany and built her back from wreckage and ruin into one of the great nations of the world. Western Germany, and he did not go out until he was eighty-seven, eighty-seven years of age, the same age as President Devalera.

AN HON. MEMBER: But he did retire eh?

MR. SMALLWOOD: He did not even just then retire into idleness, he was too young and too energetic a man at eighty-seven.

AN HON. MEMBER: He stayed on at the Reichstag.

MR. SMALLWOOD: Of course he stayed in the Reichstag and held his seat, and helped to run the German nation.

Winston Churchill, eighty-one, Prime Minister of England. Winston Churchill did not become Prime Minister of England till he was well over seventy.

AN HON. GENTLEMAN: Sixty-five.

MR. S'ALLWOOD: No, he was seventy.

AN HON. MEMBER: (Inaudible)

MR. SMALLWOOD: Maybe the hon. gentleman is right, anyway, he was just beginning to get ripe. He was beginning to get ripe. He was elected Prime Minister of England after he was seventy years of age. He was still Prime Minister when he was eighty-one.

Now, these friends of mine, these colleagues of mine, these men slightly younger and slightly older than myself who have been and are running these great nations, they would tell this House, as I do, that you do not go by the calander. How is your bloodstream? How is your blood pressure? How is your appetite? Do you sleep? Can you carry responsibility? Is your mind bright? Is your body in good shape? If you are, what has age to do with it?

W.E.Gladstone was Prime Minister of England when he was ninety. Now do not get discouraged, I do not intend to follow in Gladstone's footsteps. No I do not. It is no use looking reproachfully...

MR. CURTIS: Is that a promise?

MR. SMALLWOOD: That is a promise. I do not intend to remain in public life until I reach Gladstone's age. I think he was ninety or ninety-one.

MR. MURPHY: He made a comeback.

MR. SMALLWOOD: Yes, he made a comeback that is right. He went out temporarily when he was about eighty-six, he went out stayed out a while, and then staged - at eighty-six he staged one of the greatest political campaigns in the history of politics, and he came back as Prime Minister of England at ninety or ninety-one years of age.

Sir John A.McDonald would have been wiped out by this legislation. Sir John A.McDonald. McKenzie King would have been wiped out. Louis St.Laurent drew the old age pension while he was Prime Minister of Canada. John D. Deifenbaker would not be allowed inside the House of Commons, except as a visitor, and this legislation would wipe those people out. How silly can we get?

Now the Tories have tried in a variety of ways - I read a beautiful sentence today. Somebody showed me a piece he wrote and I believe it is going to be in the 'Daily News' tomorrow morning. He said, this sentence says, that the Tories for twenty-two years in six general elections have tried to frighten Newfoundland into voting Smallwood out and voting them in. How? By pretending the country, the Province is in danger.

In one way and another the Tories have tried to get me out. You know, they made a most remarkable effort to do it. They have not spared the horses. They have left no stone unturned, and they have done everything that it was humanly possible for them to do to defeat this Government and defeat the Liberal Party of Newfoundland. There is only one thing they lacked. It had everything to do it with except one thing, the people. You know, everybody has always been against me since I became Premier. Everyone Mr. Speaker, except the people. You know, everyone. Newspapers, sometimes radio stations, sometimes television stations, sometimes commentators, and the predatory wealth of the Province, the plutocracy, the aristocracy, they despise me, they have no time for me, they cannot stand me, the thought of me makes them vomit. They cannot understand the stupid Newfoundlanders electing this Liberal Government six times in a row. They cannot understand it. They cannot fathom it, but the fact of the matter is, that the people of Newfoundland decide, not the Tory Party, not the newspapers, it is the people, the people of Newfoundland, the great big mass of the population. They decide who will have the majority in this House here, they decide that, nobody else.

All the talk and all the propaganda in creation will make no difference at all, and it is the people who will do it. If the people want, if I want to run, and the people want me to be elected as Premier when I am eighty, they will do it. If I want to run when I am ninety, and the people want me to be Premier, they will do it, no one will stop them, but no one, but no one. There is no one who could stop them.

AN HON. MEMBER: Want to try for a hundred.

MR. SMALLWOOD: No, I will stop at ninety.

AN HON. MEMBER: Tell us about Romania.

MR. SMALLWOOD: Well In Romania they have one of the world's great centres and I asked the Minister of Health who is a young man, and an open-minded man, a man of intellectual curiosity, and who, notwithstanding his personal ambitions, has no ill will for me. Greater love hath no young politician than this, that he accepts my invitation to go, at the first chance, he may wait until after the election or he may go before, to Romania to study their famous geriatrics centre.

I did not go near the centre. The hon. Minister of Economic Development can confirm that, I did not go near the centre.

MR. NOLAN: (Inaudible)

AN HON. MEMBER: You have to be a certain age to get in.

MR. SMALLWOOD: You cannot get in under seventy, is that right? Well, I want the Minister of Health to go and have a look at their famous geriatrics centre and see if perhaps we could duplicate it here. Why should communist Rumania be the only one to have a famous geriatrics centre? Why could not Newfoundland establish one here and become famous throughout the western world? What better advertisement could a geriatrics centre have in Newfoundland? I just put this as a matter of practicality, I just put this to the House as a matter of common sense, with hard and fast common sense, if you like dollars and cents, common sense. What would be the best advertisement for Newfoundland's geriatrics centre? If they had a Premier to whom people could point and say, "look, he was Premier when he was fifty, he was Premier when he was sixty, he was Premier when he was seventy, look at him now, eighty, headed up to ninety, this would be a marvellous advertisement for a geriatrics centre," all of which ...

AN HON. MEMBER: (Inaudible)

MR. SMALLWOOD: Retiring? Well I am always thinking of retiring. Mr. Speaker, I never cease to think of retiring, but I do not want - there was an attempt to boot me out, it failed. There was an attempt to boot me out, Sir, big

size seventeen boots, that failed. There were six attempts to defeat me in elections, now the latest, they are going to legislate me out. They are going to pass a law, they cannot get me out any other way, they are going to pass a law to get me out. Well Sir, I am going to vote against it because I can think of better ways to commit suicide.

MR. CROSBIE: Mr. Speaker, we all enjoyed the Premier's speech, and I must say that I am going to vote against his Bill on two counts.

MR. SMALLWOOD: (Inaudible)

MR. CROSBIE: In connection with that room; I have just been up to inspect the room Mr. Speaker. I can report that it is in perfect condition beautiful red carpet, comfortable chairs. The Liberal Reform group are going to have very comfortable surroundings for the rest of this session.

AN HON. MEMBER: Anything left in the top drawer?

MR. CROSBIE: I have not looked in the top drawer yet. I will look at that later, I thank the hon. Minister.

Mr. Speaker, I am going to vote against the Bill because seriously I do not agree with anyone being retired necessarily because they are seventy. I agree with the Premier that it is up to the people of the Province to decide that issue, in addition to which I do not see why the Premier should be allowed to go out so easily as by compulsory retirement. I believe that that is a matter that should be left to the people of the Province. If they want to continue with the Premier's Government and his method of operation, well and good. If the majority of them do not, well I think that is 'well and gooder.' That is one reason why I am not going to support this amendment. It might be called Mr. Speaker a "great-grandfather clause," that section (2) of this Bill, because, we all know the hon. the Premier is a great-grandfather. I do not know what his age is, I believe it is seventy. That must have some connection with the Bill.

The people that the hon. the Premier mentioned, these great figures, Mao Tse-tung, DeGaulle, Adenauer, it is a pity that in many of those countries they did not have legislation that did provide for forced retirement at age seventy, because Mr. Speaker,

MR. SMALLWOOD: Churchill?

MR. CROSBIE: Yes Churchill, even Churchill, because there Churchill ended up as Prime Minister of England when he was just about senile, Mr. Speaker. When anyone reads Lord Moran's biography of Churchill and sees how pitiful it was for Churchill to be in office ...

MR. SMALLWOOD: For two or three years of his life, he was over eighty.

MR. CROSBIE: Yes, right

MR. CROSBIE: in a senile condition, nobody suggests that a man of seventy is going to be or even that the Premier is. But, I say that is a matter that cannot be dealt with by legislation. It has to be dealt with by voters. But, still many of the people that the Premier have mentioned, DeGaulle stayed on too long, Adnauer stayed on too long, some of the others, Mao Tsetung, who knows whether he is staying on too long or not, there is no democracy in China anyway, the people there cannot decide one way or the other.

The Premier mentioned that he was working night and day. now I often thought to myself that the Premier's theme song must be, "That old Cole Porter tune, "Night and Day." And that the theme song of the Cabinet is: "Night and Day, You Are The One."

MR. SMALLWOOD: That is right. The only one under the sun.

MR. CROSBIE: But, you know the Premier, if the Premier would permit a secret ballot.

MR. SMALLWOOD: Does the hon. gentleman remember when he used to chant that every day in the Cabinet.

MR. CROSBIE: That was your day. The hon. the Premier, if the hon. the Premier would permit a secret ballot, Mr. Speaker, he would be surprised how many votes he would get for that amendment on his own side of the House.

MR. SMALLWOOD: I wonder? I wonder?

MR. CROSBIE: I would venture to suggest a minimum of ten votes.

AN HON. MEMBER: Neither one.

MR. CROSBIE: All the aspirants would vote for it, if it were a secret ballot. At least ten votes.

The hon. the Premier mentioned that the Minister of Justice was looking well, I heard him mention that, I saw the faces of several hon. gentleman opposite looked disappointed. Several hon. gentlemen looking for the hon. minister's safe seat at Twillingate. The Minister of Highways wants to take over Twillingate. The Minister without portfolio.

MR. STARKES: I am quite happy where I am.

MR. CROSBIE: The Minister without portfolio, Labrador South, wants to move to Twillingate. There are two or three more, I think, for Twillingate, the safe seat. And when the hon. the Premier - the hon. Dr. Rowe is going to go down in Grand Falls. When the Premier mentioned how well the hon. the Minister of Justice looked, you should have seen those faces, Mr. Speaker, the shock on their faces. Because they thought it was agreed that the hon. the Minister of Justice was going to retire.

When the hon. the Premier mentioned it, he spoiled his speech by mentioning one silly point. He said, the autocracy of the Province the hon. Premier said, has always been against the hon. the Premier. Well, what an exaggeration. The autocracy of the Province is right in the hon. the Premier's pocket. Anybody who examines the Provincial scene sees that. The business community of Newfoundland is right in his pocket. They have to be, they are all doing business with the Government.

MR. SMALLWOOD: Oh, boy!-

MR. CROSBIE: The Government provides over fifty percent anyway of the business of this Province. There is not a prominent businessman you can mention today, in the field of construction or any large way doing business in Newfoundland, that is not in the pocket of the Government and the Premier, Mr. Lundrigan, Mr. Andrew Crosbie. The hon. the Premier often mentions it is a wonderful branch of the family, while I am -

MR. SMALLWOOD: So, he is. He is too.

MR. CROSBIE: Inaudible.

MR. SMALLWOOD: There is still one good Crosbie around.

MR. CROSBIE: The business community of Newfoundland is in the Premier's pocket. Plutocracy is in his pocket. And to say that the plutocracy, the moneyed people, the moneyed people of Newfoundland are not for the Premier is just an absolute, hundred percent tripe.

MR. SMALLWOOD: Usually what the Tories say, is that I am in their pocket, not they in mine.

MR. CROSBIE: This is what is keeping the hon. the Premier in office, Mr. Speaker, plutocracy, those doing business with the Government, plus his own ability to mesmerize the public plus other things that kept the Premier in power. That statement I could not allow to go unchallenged, the plutocracy is in the Premier's pocket and it will stay there as long as they feel he has a chance to be re-elected. Do you not worry about that.

Not only the plutocracy of the Province, but the plutocracy of outside the Province, The Shaheen, and the Doyle and those holding large mineral concessions are in the Premier's pocket, and that is where the party contributions and funds come from. The Premier says how the Tories having spared no forces, to get a change of Government. What forces have they had to spare? That poor lonely group of people who opposed the Government for the last twenty-two years.

MR. SMALLWOOD: Ah! It is going to be different now.

MR. CROSBIE: Inaudible.

MR. SMALLWOOD: It is going to be different now.

MR. CROSBIE: Difficult to get funds. Difficult to get candidates and the rest of it. And the Premier says how they put all these forces against them and the plutocracy of the Province is against them. If the plutocracy of the Province is against the Premier, the conservative party for the last twenty-two years will have plenty of money, plenty of candidates and an even chance. It is not just the truth.

AN HON. MEMBER: Leadership candidates.

MR. CROSBIE: Leadership candidates, there is no need for this in the past, Mr. Speaker. The Premier has already retired. He retired in 1968. We all heard him announce that. The Premier is not going to run again anyway. The Premier told us a year ago, November, 1969: "Do not pitch the poor, old Joey out. He is retiring. He is not going to run in another election." "When I serve out my term." And look what is happening today. So, Mr. Speaker I do not want this Bill to pass. I feel that the Premier should

MR. CROSBIE: face the people of this country and accept responsibility for what has happened in the last five years. I, myself, I am ready to accept the verdict, if they vote the Premier in with a majority, that has to be accepted. If they do not, that has to be accepted also. And with respect to the municipalities part of it, I agree.

MR. SMALLWOOD: It will be decent for the hon. gentleman to accept it, if they do.

MR. CROSBIE: I have no choice but to accept it. It will not mean that the hon. gentleman from thence forth will keep his mouth shut, if that unlikely event happens.

MR. SMALLWOOD: In fact he will talk more than ever.

MR. CROSBIE: He will continue to be vocal and play his part in the House, whether it is on this side or that. Do you not worry about that. And if he is not in the House he will do it outside.

And finally, Mr. Speaker, we only have a minute left, I do not agree with the principle that, if you are a mayor or a town councillor you should not run for the House of Assembly. I see no reason, basically, why you cannot occupy both. I can see where it can become obnoxious, if for example, in the City Council, like St. John's, you have too many of the members running and sitting in both, it did not work in 1962 or 1966. There was a lot of discontent about it, it would not work again. But, as long as it is not over-done, I see no reason why one cannot be a mayor, a councillor and a member of the House also. And I would not want to see the Law amended to prevent that.

So this is a Private Member's Bill, we are free to vote anyway we like. Our party over here has had a caucus. Our group.

MR. SMALLWOOD: Up in that room.

MR. CROSBIE: Up in the little red room. And our group has decided to vote against it, Mr. Speaker.

MR. MARSHALL: Just before we end off, Mr. Speaker, I can see the point raised by the hon. the member for St. John's West, but, I, perhaps a little more charitable, I would like to spare the hon. the Premier what is going to

MR. MARSHALL: befall him within the next year, and this is one of the main reasons for bringing in the Bill.

MR. SPEAKER: Is the House ready for the Questions?

MR. CURTIS: I will move the amendment that the word "Now" be omitted from the Motion, and the words "Six months hence" . replace it.

MR. SPEAKER: The Motion is that the word "now" stand as part of the question.

HON. MEMBERS: Nay.

MR. SPEAKER: Before we vote let us get it straight once more that the word "now" stands part of the question. It means that the Bill be now read a second time.

The Motion is that the word "Now" stand part of the question.

MR. SPEAKER: I declare the motion lost.

The Motion is then that this Bill be read six months hence.

I declare the motion carried.

I now call it six o'clock. This House stands adjourned until tomorrow, Thursday at 3:00 P.M.