



PROVINCE OF NEWFOUNDLAND AND LABRADOR

HOUSE OF ASSEMBLY

Volume 1

Number 62

5th Session

34th. General Assembly

VERBATIM REPORT

WEDNESDAY, MAY 26, 1971

SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met 11:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order!

PRESENTING PETITIONS

MR. N. NOEL: Mr. Speaker, I have the honour to present a petition from over 100 residents of the settlement of Bauline in the District of St. John's North. Mr. Speaker, St. John's North has a great number of beautiful places but I do not think any are more beautiful than the settlement of Bauline.

The prayer of this petition, Your Honour, raises a point which is of considerable interest, I think, to the people all over Newfoundland and that is the question of livestock roaming at large on the highway and in the gardens. Included in the recitals of this petition, Your Honour, is the allegation that the livestock defecate indiscriminately by day and by night and pollute the wells of the settlement. Also, the livestock roam about the property and destroy it and roam about the public highway and make it unsafe for travelling.

The prayer of the petition is that we, the residents of Bauline, hereby petition for an order that the said livestock be confined and not permitted to roam and that the operation be ordered to cease forthwith. They asked the Minister of Health to take some steps to see that their water supply is not contaminated by this source.

Mr. Speaker, I think that anyone who has ever had livestock defecate in their wells would have some sympathy for the point that I am trying to make here this morning. Years ago it was accepted, I think, but now, in this day and age, the idea of livestock defecating indiscriminately by day and by night is not conducive to good sleep or good health or to cleanliness in the home or anything of that nature. These people take a very serious view of this, in particular, Mr. Speaker, they take a very serious view of having these animals lying down on the highway.

MR. NOFL: We have here, I think, a conflict between the animal keepers and the people who do not keep animals. I think everybody who drives over the highway is aware of the problem which these people complain of and they ask that something be done about it.

I think that in the area of St. John's now (and Bauline is really in the area of St. John's) that the time has come for some regulation to be made relating to the keeping of wild stock and the permitting of the roaming at large of livestock, and I am glad to be able to present this petition to the House.

I move that it will be received.

MR. J. R. SMALLWOOD: (PREMIER): Mr. Speaker, I rise to support and also to oppose the prayer of the petition. Justice requires that the prayer of this petition be acceded to and that the people who pray have their prayer answered favourably and affirmatively. On the other hand, you cannot fly in the face of history and you cannot fly successfully into the face of the hard facts.

Newfoundland happens to be the only part of the Continent of North America that I know of where land is fenced to keep animals out. Every where else, if land is fenced it is fenced to keep animals in, to keep them from going out. In Newfoundland we fence land so that animals will not get in on the land. Now the reason for that, of course, is obviously that in the settled parts, the populated parts of the rest of the continent, enormous areas of land had been cleared and cultivated, put under cultivation. In Newfoundland virtually none, virtually none, very little, a trifling amount, a piddling, trifling, insufficient amount of land has been cleared and brought under cultivation. When it is cleared, at enormous cost in human effort, when it is cleared it becomes very, very precious indeed, too precious to allow animals on it. Because the land that is cleared, is cleared chiefly, almost entirely to grow a few potatoes and turnips and cabbage and a few vegetables of one kind or another, and you do not dare let that priceless, valuable bit of land

MR. SMALLWOOD: and the crops growing on it become damaged by cattle roaming around on it. So you fence the land to protect it against roaming cattle. It is the only part of North America, I think, where this is true.

The people who have gone to the trouble or whose ancestors went to the trouble of clearing and cultivating a bit of land, have rights as well. They too have rights. I am not talking of legal rights. I am not talking of constitutional rights. I am talking of moral rights. They have the right to have a bit of land and to keep animals off that land.

So you have the immovable force; the irresistible force meeting the immovable body. You have a clash of two moral rights. The right of a motorist to drive along the Queen's Highway without danger of being killed by a cow, which happened to me once, almost. The Minister of Education was with me and the Minister without portfolio, the senior member for Harbour Main. We were in a car, when a stupid cow walked across the road in front of the car, which I admit was not driving as slowly as -

MR. MURPHY: Was the Premier driving?

MR. SMALLWOOD: I was driving and the cow hit the car, the cow's side, the whole, between the four legs and the hind legs of the cow, the whole side of the cow hit the front end of the car. Fortunately the car was not damaged, nor was the cow. But the cow went over and over and ended up down in a ditch. While everyone in the car held his breath, the cow jumped up and made off like a deer, like an antelope. The citizen driving along the road has a right to be protected against that kind of danger.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: The danger of running into cows and have their lives endangered for them. Of course the same thing might be said of moose. Citizens might expect to have that kind of protection,

MP. CROSBIE: Pulp wood?

MR. SMALLWOOD: pulp wood and all kinds of things. But, I am in sympathy with the prayer of the petition, Of course I am, and so are all of us. But I am also in sympathy with the few people there are - there are not too many left - with a bit of land fenced in to keep animals out. Now where in the name of God are they going to go? If you own a pony and you let the pony out for the summer and all your neighbours do the same thing, and your neighbours in two or three settlements, and all these ponies meet and they spend the summer together, twenty, thirty, forty fifty, I have seen sixty and seventy ponies grazing the whole summer and then comes the horse hunt in the fall. It is great fun, I do not know if any hon. member has ever done it, but you take a bag with some grub in it, and you go off maybe thirty, forty men, horse hunting. It is the greatest fun of all, and you find your horses. Something like campaigning and sometimes a bit more rewarding, depending on which party it is, and you find the horses and bring them back, Now what are you going to do in the summer? You do not need your pony in the summer. You let the pony out, in the fall when you go and find your pony, here she is, as fat as butter, she had a wonderful time this summer, But what are you going to do bar up the poor little pony in your garden? You cannot, because you are growing potatoes in your garden. So I have sympathy with both sides and I do not know what side to favour more, but I lean a little bit towards "Biddy."

MR. CROSBIE: Mr. Speaker, I would like to support that petition. I am not going to try and spraddle both sides of the fence, as the Premier has done. The Premier, of course, is an experienced cowman and horseman.

AN HON. MEMBER: Cow or bull?

MR. CROSBIE: Well he is an expert on all sexes in the cow, he is also an expert in "jack assery." We all remember that picture, that romantic picture, Mr. Speaker, in Time Magazine, with the Premier loping down the Burin Peninsula Highway on a horse, with a lasso. I am not sure if he

MR. CROSBIE: had a lasso twirling around after those famous cows that were going to be breed down on the Burin Peninsula.

But seriously, Mr. Speaker, I think this petition has a certain odour about it. It has something about it that it should deserve some serious thought.

As the Premier explains, in Newfoundland, for historical reasons, animals are permitted to roam. But I think Newfoundland has changed in many ways and this is one of the ways it has got to change in. I see no reason why the Government cannot bring in legislation to permit areas of the Province, that in certain areas animals are not allowed to roam and other areas animals are permitted to roam. For example; in the St. John's Metropolitan area or the Corner Brook Metropolitan area (we have some very distinguished horsemen from Corner Brook in the gallery this morning, that in certain areas you would not be allowed to let cows, horses or other animals roam, including the area that the hon. member has presented a petition from, Bauline.

I am very sore on this point, Mr. Speaker, because I developed a very fine lawn at Hogan's Pond and it is a half mile down from the Tote Road, through the woods, and it is about two miles from the Thorburn Road, yet somehow all the cows of the neighbourhood discovered, smelt the grass of my lawn this year.

MR. SMALLWOOD: Yes, because the hon. gentleman was too stupid to fence his lawn to keep them out.

MR. CROSBIE: I did not have my lawn fenced, that is quite correct, Mr. Speaker. I moved out one weekend from the country, in September, and the next weekend when I went back, I had to shovel all day. My lawn was ruined, so I am definitely a supporter of this petition for at least the St. John's Metropolitan area. I think it is something the Government should give some serious consideration to. I have come across many cases of people running into horses, in the area the member mentioned,

MR. CROSBIE: last year, horses roaming on the road, there is often accidents with them; cows. There is nothing much we can do about the moose.

I think, if this petition is referred to the Department of Health or to the Department of Mines, Agriculture and Resources

MR. ROBERTS: Inaudible.

MR. CROSBIE: I know that the minister is going to consider this form of pollution, with all other forms. That some consideration be given the legislation to permit certain areas of the Province to have the law changed, put the onus on the owner to keep the animals in, rather than otherwise. There are other areas, such as the Premier describes, where there are a lot of ponies, horses used in the woods and so on, where that might not be desirable. So I hope that this petition will receive full Cabinet consideration

On motion petition received.

MR. SMALLWOOD: We will drop the estimates now and the budget and concentrate on that.

HON. J. NOLAN: (MINISTER OF SUPPLY AND SERVICES): Mr. Speaker, I have a petition that I have been asked to bring before this House, as a matter of fact two petitions, both pertaining to the same matter and both have apparently been drawn up and circulated by one Mr. David P. Owens of 124 Water Street. One is from and signed by a number of residents in my own district of St. John's South, about 121 residents, and 502 residents of St. John's Centre represented, of course, by the hon. the Leader of the Opposition. I have already brought this to his attention, privately.

The petition, Mr. Speaker, requests that some thought be given to a Provincial Park in the general St. John's area, where there is certainly a need among large families on low incomes and so on and elderly citizens, to find a place to boil up and have a park for relaxation and so on. The petition, in fact, mentions an area on the Blackhead Road, in view of the fact that, one park was left unnamed during the Development Conference.

I think it only fair that I tell the House, at this time, that in fact another park site has been arrived at and there is no question about

MR. NOLAN: the need for more recreational areas within say the St. John's Metropolitan area.

I would ask that this House accept this petition and refer it to the department to which it relates, which in this case is my department.

On motion petition received.

MR. CROSBIE: Mr. Speaker, just before we get to Orders of the Day, has the Premier got any comments for the House on the statement made by the Federal Minister of Fisheries, Mr. Jack Davis? In the House of Commons yesterday it is reported that he said; "the salmon fishing regulations are reasonable and will be enforced." Has the Premier being in touch with the minister since the statement was made and can he report any progress or any resolution on this matter, in view of that statement?

MR. SMALLWOOD: Mr. Speaker, I do not know what the minister said in the House of Commons yesterday. I know only what some radios have reported him and Canadian Press indeed have reported him as saying. I would prefer to see the Hansard, the verbatim report of his words.

But I am able to say this here now, as I have already said publicly on the radio this morning, that, in the conversation I had with the minister the other morning, after I made my statement in the House here, I went out to the Common Room and called the minister and had a telephone conversation with him. He said nothing on that occasion. That is the only occasion on which I have spoken to him since I made my statement here. He said, nothing to the effect that he was reported as having said. Nothing at all like any assertion that the regulation were going to be carried out. The comment he did make to me was, I am sure you will agree, he said to me that we should stop moonlighting. I said; "I absolutely do agree. I believe strongly in conservation and I do not think that moonlighters should be permitted to catch salmon." We agreed on that. But there was no argument by him that the regulations were fair. There was an argument by me or a declaration by me that the

MR. SMALLWOOD: regulations, in my opinion, were brutally and savagely unfair and unjust and wrong and ought to be scrapped and that new regulations ought to be drawn up After the minister and our minister or his officials and our officials got together, called in the fishermen's unions, called in others who might be concerned and after getting the best possible information and advice, entirely new regulations be drawn up. I made this point very strongly to him. I gained a very strong impression that he would do that, not that he said he would. But he certainly did not say to me that they were okay and were going to be enforced. No such statement was made to me by the minister.

MR. CROSSIE: A supplementary question, Mr. Speaker, does the Premier intend to take this matter up with Mr. Davis again today, in view of his reported statement yesterday, because apparently the conversation of three or four days ago was not sufficient. Is the Premier planning to contact Ottawa on this?

MR. SMALLWOOD: I had the firm intention, about ten thirty, our time, this morning, which would be nine o'clock Ottawa time, of calling the minister. I had a more pleasant duty in that I had the Deputy Mayor and all the councillors of the City Council of Corner Brook, the Town Manager and the Engineer and others, with me at nine-thirty, our time, until one minute before eleven, and I did not have time to call the minister. But, my colleague the Minister of Fisheries, informs me that Mr. Bradley and Mr. Carroll, from Ottawa. from the Federal Department of Fisheries, are meeting with our minister tomorrow morning. This is, I hope, the beginning of some rational collaboration between the two Government. I may say that in February past the Government of Canada, the Minister of Fisheries or his officials sent the proposed regulations to St. John's, to my colleague, the Minister of Fisheries. He studied them, with his officials, came to me and I sent a very strong telegram, indeed a very strong telegram to the

MR. SMALLWOOD: Minister of Fisheries, vigorously protesting these new, proposed new regulations.

They did not accept my protest. He did send me merely an acknowledgement, just acknowledging receipt of my telegram, but not dealing with the points in it, nor have they collaborated, in any shape or form or any degree, with this Government or with our Department of Fisheries or the officials of our Department of Fisheries with regard to these regulations. They are unilaterally drawn up and unilaterally announced and unilaterally applied, which I think is a very serious error on their part. I think they now realize it.

ORDERS OF THE DAY

On motion of the hon. the Premier a Bill, "An Act Respecting Collective Bargaining Between Certain Fishermen Or Associations Of Fishermen And Certain Persons Or Associations Of Persons Engaged In the Processing Of Fish In The Province." Read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Premier a Bill, "An Act To Amend The Trade Union Act, 1960." Read a first time, ordered read a second time on tomorrow.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Order! Heading XIII - Municipal Affairs and Housing. Shall 1301-01 carry?

MR. CROSBIE: Mr. Chairman, when we adjourned last night, we were discussing Municipal Affairs, generally, and in particular the report that Mayor Adams made on the Town of Bay Roberts. There are a few more words that need, in my view, to be said on that, in view of comments made by the hon. the Premier and by the member for Port de Grave.

Now, Mr. Chairman, the significance of this report, the Adam's Report, is not what the people of Bay Roberts or Port de Grave district think or might think about the hon. member for that district. That is a matter that

the Town of Lawn and the councilors showed us that \$200,000 would do the first phase of the water and sewerage for the Town of Lawn and we made the commitment there that when we would come back to St. John's we would study their proposal and we would advise them. We advised them that we would provide this \$200,000 for the Town of Lawn and we did that in good faith, on advice of the Council at Lawn. \$200,000 was required and this is what we committed -

MR. HICKMAN: Without any study?

MR. DAVE: Without any study. This was just from the Council itself and we accented their word and this was the commitment that was made and this is the commitment that we were prepared to fulfill. But now since the study was made and tenders have been called, the cost is almost treble and that is the position with Lawn.

MR. HICKMAN: Well, Mr. Chairman, I will just look at Lawn. The type of survey that has been going on at Lawn, according to the answer, is first there was the preliminary survey and now the detailed survey is in progress.

MR. DAVE: Detailed design.

MR. HICKMAN: Detailed design, what does that lead anyone on the Lawn Town Council to believe? That they are going to get a water and sewerage system and not that they are going to get a water and sewerage system if it stays within \$200,000, not on your life. Maybe this is far more appropriate to discuss under the next heading, water and sewerage, but before we leave paving grants, Mr. Chairman, I take issue with the hon. the Minister of Education when he says this was a five year programme.

MR. CROSBIE: It was not.

MR. HICKMAN: It was a programme to be financed over five years and it is a fact that municipalities came in, sought the guidance of the officials in the Department of Municipal Affairs and Housing, received

MR. CROSBIE: that large sums of public monies were spent without any evidence - a commissioner who could take evidence on oath, unable to track down what the monies were spent on or how? It clears no one of anything; let us be quite clear on that. The commissioner was unable to find conclusive evidence that the Town Clerk misappropriated public money. There was no evidence of misappropriation of public funds by any other individual, because the records were no longer there. The cheques are gone, the vouchers are gone, the records are gone. Let us be quite clear on that. The commissioner is unable to make any finding for or against anyone on that question. He makes the finding that the records are gone, and no one can crack what happened to the funds that were spent during that period.

The Premier did make one statement that makes the situation even worse or graver, insofar as the administration of the Government is concerned. The Premier says that the Department of Municipal Affairs, while the member for St. John's South was minister, knew that there was something - that the accounts of the Town of Bay Roberts were not being kept properly or that there was something wrong in the Town of Bay Roberts. So, at some point in 1969, before or after June of '69, when the Auditor General presented his report for '68, the Municipal Affairs Department knew that there was something wrong. What was done Mr. Chairman? The answer is; nothing was done. Why was nothing done? The answer, obviously, is; because the Mayor of the Town of Bay Roberts was a member of the House of Assembly and this could cause embarrassment, if anything happened in connection with this situation.

If the Department of Municipal Affairs, in 1969, had knowledge of the state of the records of the Town of Bay Roberts, they should have moved in quickly and decisively, but they did not.

MR. SMALLWOOD (J.R.): They did.

MR. CROSBIE: They did not.

MR. SMALLWOOD: They did.

MR. CROSBIE: They did not.

MR. SMALLWOOD: They called on the Auditor General to get cracking.

MR. CROSEIE: They called on the Auditor General to get cracking. That is not the answer. The Auditor General, on June 16, 1969, reported on the state of the Bay Roberts accounts for 1968. If the Department of Municipal Affairs had that report then and knew that there was something wrong, they should not have waited for the Auditor General, they should have sent their own people over to take control. If they had, they would have stopped a lot of what went on in 1969, which was even worse. If the department knew of this, in 1969, they did precious little to correct it. Obviously, the reason, why precious little was done, was because a member of the House was mayor of that community and it could be politically embarrassing. That is an argument for an amendment that was introduced in this House recently -- an argument that a member of a town council cannot be a member of this House also.

If that were the law, then there would not have been that embarrassment and I am sure that the Department of Municipal Affairs would have moved a lot more quickly. When I say the Department, I do not mean the officials of the department. They take their instructions from their minister, and they take their instructions from the Government. So, the Premier's statement, when the member for St. John's South was minister, that they knew that the accounts were in bad shape and got after the Auditor General to prepare his reports quicker, shows that they took inadequate action. If they had moved sooner, they might have prevented some of the trouble that the report showed.

The hon. the Premier said the Government was not forced to have an enquiry. That is pure and simple hopwash. The Government had to be forced to have that enquiry. I spoke in this House on the matter, a year ago, and the matter of the 1968 accounts. I called for an enquiry then. The minister then said that he was having it investigated by his officials. That was a year ago. Then, in September, when the report was

published in the St. John's 'Evening Telegram', the minister said he was going to have his officials investigate again. I demanded the public enquiry and the 'Evening Telegram' supported it. Only after all that occurred did the Government agree to have a public enquiry. The Government had to be forced to have that enquiry and there is no question about that.

There is another misleading thing that the hon. the Premier said, Mr. Chairman. There are not 250 town councils in Newfoundland. There are 250 councils, and that includes as many as eighty or 100 community councils. There are, I would say, no more than 100 or 110 town councils or local improvement districts in Newfoundland. Not 250. So, the department is not dealing with 250 town clerks. The community councils are a lot smaller operation. They operate a lot differently. They do not have - I would say, a lot of them do not have permanent town clerks or town managers.

In the category of Bay Roberts and the category of actual town councils, there may be 100 or 110, not 250. Whether or not - the Premier also said, which is true, we need more experienced personnel around this island, which is true, and I made that point myself. But an experienced administrator, Mr. Chairman, was not the answer to the problems of the Town of Bay Roberts. It does not matter how experienced the administrator is, if he is going to permit cheques to disappear, if he is going to permit the sloppy work practices, the absolute lack of control that was evident in the Town of Bay Roberts, it does not matter how experienced an administrator he is.

What happened in the Town of Bay Roberts was not simply incompetence and ignorance. There was more than that involved, a lot more than that involved. Experienced administrators are not the answer or not the only answer for what occurred in the Town of Bay Roberts. The Premier suggests that the department is thinking of setting up three regional offices. Well, the thinking should cease Mr. Chairman. They should be set up immediately. The department should get more personnel

immediately. There should be more inspections going on, particularly in town councils, If they cannot manage all 250, that should come now and the other matters I suggested last night should also be implemented now.

The Premier said last night that he thought that I was too harsh and would like to be a lot harsher. It matters not a twit to me what the Premier thinks in that direction, not a bit. The point is, it is this report that is either harsh or not harsh. It is this report that we are discussing. It is this report that shows - does not clear anyone, that does not exonerate anyone, that shows a fantastic situation in the accounts of the Town of Bay Roberts, in the way that the Town was administered for 1968 - '69.

If the mayor of the town was tired of being mayor or wanted to resign or could not devote the time to it any longer, then his right course was to have resigned as mayor in 1967 or 1968, before this went too far.

Let us be quite clear: The Adams Report showed the evidence is gone. He cannot say who misappropriated money or how the money was spent, because the records are not there. It does not clear anyone. It shows a very alarming state of affairs in the Town of Bay Roberts. There is no question at all in my mind that the Government could have moved a lot quicker and avoided a lot of the trouble that occurred there in 1969, had the Government had the will to do that. The Government did not have the will to do it, because it did not want to embarrass a member of the House who sits on the Government side.

MR. SPALLWOOD: Mr. Chairman, I said last night that it was the latest thinking of the Department of Municipal Affairs that there should be three regional offices and that in each of the three offices there should be a staff consisting, in part, of inspectors who would go out and twice a year visit every council within the region, to which the hon. member who just sat down says; "the department should stop thinking about it and do it," to which I reply that they have begun to do it. They

have an office open at Corner Brook and they have an office at Grand Falls. So, they have two of the three regional offices opened, and, in each of the two that are opened, they have a man, a chief, together with stenographic help. They have not yet opened the third office, and, in the two that are opened, they have not the necessary inspectors who would make the regular twice a year visit to every council within their jurisdiction.

I do not propose to follow the hon. gentleman's argument. He has made his argument last night and again today. Today was in reply to my remarks of last night. I do not know whether he feels it necessary to reply to my present remarks, however, I would then feel it necessary to reply to his, and whether this might go on, ad nauseam, ad infinitum, I do not know.

The need for strengthening the Department of Municipal Affairs is clearly obvious and it is being done and will be done.

MR. EARLE: Mr. Chairman, just a few remarks on this department generally. It is not my intention to rake over any more dead coals nor to wash any more dirty linen, in public, regarding the Bay Roberts affair. There are, however, a few comments which are necessary. I think that the Government must bear full responsibility for this unfortunate affair. It is not the responsibility entirely of the department officials themselves nor of the officials of the Town of Bay Roberts. What it does come down to is a matter of policy of Government in the spending of public monies.

I contended, when I was connected with the Department of Finance, that before monies were parted with or were allocated on various votes, careful scrutiny should be made by the Department of Finance as to just how the monies should be spent. I was responsible for getting the first - well, the Bachelor of Commerce people to go to the various departments and set up proper systems. The reason for that was that my officials at the time, in the Department of Finance,

were horrified at the slackness with which some of the affairs were administered in various departments. In many cases department officials had too much to do, in some cases they did not have the experience in accounting procedures and so on to really see that all of this was properly checked. Therefore, the Department of Finance, which does in the last effect cover all matters of Government expenditure, is the one that should have close control on all expenditures of money.

At the time I was accused, by most of the departments, of trying to buildup the Department of Finance, because, we were then in a tight period when posts and positions were not being filled. There were lots of protests from different departments, that certain essential official's appointments were blocked by Treasury Board, of which, at that time, I was Chairman. The point was that we were, in the Department of Finance, trying to build up an efficient machine to help and direct the other departments. I considered it the key operation of all Government, that the Department of Finance, who does control all revenues and expenditures, should be the one to take the first initiative to see the proper controls were initiated. Treasury Board as such, through whom all the votes go in the first instance, are the ones to see that this money is properly directed and to follow it up and keep careful tab on it. This is why at that time we were trying to build up a very, very strong Treasury Board, which I think since then has been somewhat rather strengthened. Also, to feed into the other departments the properly trained officials that could help those in the departments to watch their affairs very, very closely.

This all comes back to the Bay Roberts affair, insofar as it is ridiculous for the Premier to say that this was discovered by the department itself and not by the Auditor General. This is so fundamental, rudimentally, that the department should, after all, they are the people that are dealing with it, it is not the Auditor General. Usually, the Auditor General does not get onto something like this until a

year after it has happened.

The function of an Auditor General is to check the work that has been done. He is not the person that really roots out these errors and so on. This should be done within the department itself. The department people, who are responsible for this, need all the help they can get from the Department of Finance and the Treasury Board Officials, to see that they are following the correct procedures. This all comes back to a general slackness on the part of Government, in seeing that the system comes right from the top down, right through the whole business.

I am not reflecting on the officials in the department, because they are very often overburdened with the amount of work they have to do. They are sometimes called upon to carry out responsibilities which they cannot cope with, particularly in money matters of this type. I feel that where the thing has fallen down, is that controls, right from the top down, which should have originated in the Department of Finance, did not go all the way down through the system. As I say, we were busy trying to get this thing in order at the time. I am glad to hear that more of these men have been appointed since, to help in the departments. This is where the essential control should lie. I was always one who felt that, in the money matters and the expenditure of money, the control should first of all rest with the Department of Finance, to see that the other departments spend their funds correctly.

The Premier mentioned that there was a course or should be a course at the university in public administration. I agree with him wholeheartedly, because we are very short of competent public administrators. Now, back as long as three or four years ago, there was a course of a sort at the university, in public administration, and my officials in the Department of Finance were very keen on this. In fact, they helped out on these courses and were trying to see that people got the correct grounding. It did not go far enough. I think that public

administration idea, through the university and possibly, to a lesser degree, through the trade and vocational schools, should be followed up, should be strengthened, because the upcoming young men with good training is the sort of thing that we need to get into the service, to help out the officials that are struggling with vastly increased volumes of work.

The business of this Government and particularly in the Department of Municipal Affairs and Housing, has grown to such an extent, over recent years, that it is impossible to think that the old guard can cope with it. They are doing their best but, through no fault of their own in many cases, they simply have not got the staff and the help they need to do it, particularly in the line of properly qualified and trained staff in this particularly difficult field. I think it is quite common knowledge that in fields such as housing, town planning and that sort of thing, there is a great dearth of properly trained officials. They are difficult people to get, but there should not be any trouble in getting properly trained financial people, who at least can see that the proper finance controls are maintained and are functioning properly.

I think this is one great criticism which we can fairly make of the Government in this whole affair. That the thing started from the top down, really in the directions of Cabinet, all the way down through the departments; that this whole system is altogether too loose, has not been properly checked and the fault goes right back to Government itself.

On the matter of housing; it was mentioned last evening that a new programme was going to be introduced where \$6 thousand, I think it is, can be advanced to private individuals to build houses in various locations...

MR. CROSBIE: That is a loan, by the way. Do not think it is a grant and get it confused.

MR. EARLE: A loan, not a grant. Yes, but this loan of \$6 thousand

free, advanced to private individuals to build houses, and I think \$2 thousand to community councils or town councils to buy building lots, sounds like an excellent scheme. Here again this is a very dangerous undertaking, insofar as I think the public generally may get the idea that there is going to be another great handout here, particularly in an election year. As a lot of people may be encouraged into availing of this, if that itself is not again very carefully watched and controlled, the Government could find itself in a terrific mess over it.

First of all and most important, of course, the department will have to see to it that the people who get this money have the ability to repay. This is an essential must. Also, there must be, with this, a system of seeing that things are properly planned. For instance; a fellow goes up and puts up a house in a small village or town. He has no experience nor knowledge of how he is affecting the future of that village. He will go in and stick a house down on a piece of land belonging to his father and, unless he gets guidance and help, there may be one outrageous mess in some of these places. You have such situations as people who have been helped out by the Department of Social Services. They get grants to repair their houses or build their houses and so on. A fellow goes and gets a \$6 thousand loan. Then he wrangles a deal with the community council or something for a two thousand dollar piece of land and he starts in with all good intentions to build something. Right next door to him, within fifty feet, is some fellow who has been on social assistance for the past ten years, adding hunks unto his house and all sorts of things.

He has probably ten or a dozen children. He has a shack he is living in. All the conditions surrounding this place are horrible, and you have no orderly or sensible development. A lot of this money could, if it is not carefully watched, be channelled into areas where it will be completely wasted. The most appalling thing, and the thing which will need to be carefully checked, is the ability of people to repay.

Employment, as we all know to our sorrow in Newfoundland, sometimes is not a readily available thing. A fellow may have a good job today at Churchill Falls. He may be making good money and sending it home to start a house, but this time next week or next month he may be without employment and he cannot find anything to do. How is he going to carry on?

It seems to me that where people can do this themselves, I can think of many settlements where you enter a place and you see the fellow who has worked and made some money and saved a few dollars, he is very often building a very nice home. I can name a number of places. For instance, if you drive down into Terrenceville and you look on your right and left going down, that place has improved immeasurably over recent years, because the people have had good employment, they have saved a lot of money and they have built themselves very nice homes on modern lines. You see this happening all over Newfoundland.

Now, these fellows, who have taken the trouble and the care to provide for themselves and have provided fairly decent homes, are going to look very askance at other fellows - if this should develop into a handout, that some people are getting money on things that they do not intend to pay for or are not forced to pay for. I hope that this programme does not develop into just another election gimmick. This could very well happen, that some energetic and good leader in a place, who may be in favour of the Government or something of this sort, he can talk well and he can talk people into providing money for this sort of thing. Certainly it must be followed through to see that the ultimate end of this is going to be an improved and attractive settlement, the houses are going to be placed correctly, they are not going to be placed in a place where you cannot plow the snow in the winter or you cannot get around them or anything of this sort. The whole thing must be properly developed along sensible lines and not just a general handout.

It seems to me, with the places that were named last night, the diversity of them and the way that this is being spread about, it is

going to give the department an awful headache just to watch this, because it will be here, there and everywhere. The department is already short of officials, so how, in the name of Heavens, are they going to keep a proper eye to see that this job is followed through properly?

I think too, just to conclude, that the department should work very closely indeed, it probably does, but I would certainly encourage it to work very closely with the resettlement plans that are going ahead in the various areas, because here again people tear up roots very quickly and go into an area. They are not too sure what they want to do nor where they want to go nor how they want to settle down or anything else. They need a great deal of help and guidance. It is all right if they go into a properly set up town, which has municipal controls and so on, where they are not just allowed to disrupt the whole thing. Some people are moving into areas which are not that well controlled, and they are creating their own problems.

They create building problems, garbage problems, health problems and all sorts of things. This department must of necessity work very closely and keep a close eye on what is happening with so many families that are moving from place to place in the Province. We are rapidly becoming a much larger population and we are all aware of the terrific

pollution problems and so on that are being created in various places. Unless we keep a very careful eye indeed on all of these building projects and all of the encouragement to people to own their own homes, all of the places to which people move there can develop a most unholy mess which will cost millions upon millions to try to straighten out in the future. So, I do think, as I said in my opening remarks, that first of all the financial controls of how this money is spent should go all the way up to the Department of Finance and the Treasury Board, to see that that is carefully checked and followed all the way through, not just left with the department. They would not necessarily then get into ^{the} sort of embarrassment that has developed for them and for everybody else over this unfortunate Bay Roberts affair.

This in the last essence is the final responsibility of Government, who has the responsibility for laying down policy. It is right at the top level that the responsibility for this unfortunate affair lies.

MR. MARSHALL: Mr. Chairman, I want to make a few remarks, first with respect to the enquiry in Bay Roberts. First of all let me emphasize that there is no criticism, as the other speakers have indicated, of the permanent officials of the Department of Municipal Affairs. Having had a small bit of experience with some of the local governments around the island, I know that the Municipal Councils here, the Town Councils rely very heavily on these officials and when they ask for advice they get very, very good advice from them. I would though note that I was very surprised to hear yesterday the admission by the Premier, to the effect that the Municipal Affairs branch of that department of Municipal Affairs & Housing only consists of some twenty people. This means that obviously these officials are far, far, have to be far overworked when they have so many town councils to look after. But I emphasize again that the officials have been doing an excellent job, within the scope of their heavy workload that has been pressed upon them.

In an effort, last night, to indicate that the Bay Roberts enquiry was conducted not as a result of pressure, I do not think that that is

necessarily an admirable tenet for the leader of the Government to take. Surely, if the Government is not, does not react to pressure, to responsible pressure, from time to time, it ought not to be in Government. Indeed it ought to be proud of the fact that it does react to pressure. I know, I feel certain that this Bay Roberts enquiry was taken into account, the affairs investigated purely and simply because of pressure, for no other reason, pressure exerted by members on this side of the House. As I said, that is not the important point that I want to make here. The important point I think that arises out of the Premier's remarks is his statement, in attempting to show that the Government did not react to pressure on the other side, it acted on its own volition, was the fact that this matter, the affairs of the town of Bay Roberts, had been investigated prior to the departure of the present minister of Supply & Services from that portfolio, some time ago.

One is only led to the obvious conclusion why it took so long, as to why the Government took so long in order to investigate this, have this investigation taken before. This has been said by the hon. member for St. John's West, the hon. member for Fortune Bay. I will not dwell on it any farther, except to say that this type of situation, of having had an unfavourable report in 1969 from the affairs of the town of Bay Roberts for 1968 or for any town for that matter, the Minister in charge of the Department ought to have acted and ought to have acted swiftly. I feel that it is now incumbent on the Government to inform exactly when the then Minister of Municipal Affairs, now the Minister of Economic Development, became aware of this, when did he actually report it to the Cabinet? What action was taken, the complete details with respect to the actions taken by the Government when it became cognizant that certain, that the town affairs of Bay Roberts were not being administered properly or that there was something wrong?

As I say, then that important part is not whether the investigation took place as the result of pressure but really why it took so long for the affairs of this town to be looked into, in face of the report of the Auditor

General, in 1969, concerning the affairs in '68. Another very important point that I do not think can be passed over at all, is the importance of certain aspects of the Royal Commission into the town of Bay Roberts. Here again, I am not talking necessarily about the acts of omission which the commissioner indicated were really acts of negligence, but I am talking about other matters which touch upon the possibility, the possibility of there having been some fraud involved with respect to the affairs of the town in 1969.

On page 16 of the report, for instance, the Commissioner refers to cheques issued to a Mr. Walter Bishop. Mr. Walter Bishop categorically denied receiving these cheques. Now if you issue a cheque in somebody's name, it has to be cashed. The question occurs, the cheque is made out in somebody's name, that person, the payee, has to endorse the cheque. If the cheque was endorsed, it is missing I understand, but if it was cashed somebody had to place the name of Walter Bishop, if in fact he was the payee on that cheque. We are entitled to know, we are certainly entitled to have it pressed quite strenuously to try to determine who signed that cheque, who endorsed that cheque, that cheque that is now missing. It is to be noted that the commissioner has collateral evidence, with respect to one of the cheques for one of the period of time, which made him quite satisfied with Mr. Walter Bishops' statement to the effect that he never received the cheque.

Then again the Mayor himself was supposed to have received two cheques. He denied receiving two cheques totalling \$120.00 on April 15, cheque no. 3196, July 12, cheque no. 3544, for sixty dollars each. The point of the matter is; somebody received the cheques - there is \$120.00 missing from the account. The Royal Commission cannot answer that because there were not sufficient details available. Then again, on page 29 of the report, we have another matter that comes up, the matter of Dawe's Nail and Hardware Limited, where the ledger cards were altered with respect to the taxation owing in the year. Surely, the commissioner has found, as a

matter of fact, that this occurred. There is no need of my emphasizing and reemphasizing the seriousness of this finding. But certainly, perhaps there ought to be, definitely there ought to be a further investigation to attempt to find out how this actually occurred; because somebody apparently, from reading this report, somebody has changed the records of the council itself. We want to know why, if at all possible, and see that the person who did it, if they have not reasonable grounds, are brought to heel because of it.

Probably the most important, the most serious observation to come out of this report, one of the most serious ones, is that contained on page 33, where the commissioner concludes, after an exhaustive review of the expenditures for the year, that the sum and substance of it is that a lot of money has been spent in excess of the budget, \$51,300. "But because no job records exist or time slips or counting subheads designating particular works projects to which expenditures were charged, it was impossible for me to trace the money to its ultimate point of expenditure." So there is \$51,300 the commissioner indicates was spent in public money, from the town of Bay Roberts, public monies from the coffers of Bay Roberts, in excess of the budget, that he cannot trace. In face of that, in face of that - we have another indication on page 31, if you look back to the report, where the commissioner interviewed a Mr. Norman, Mr. French, who, (one was the senior works foreman the other was foreman, Mr. French was a foreman, Mr. Norman was a senior works foreman) - each one independently estimated that no more than fifteen thousand dollars was spent on public works during 1969. There is \$51,300 of this money unaccounted, has not been accounted for. I do not think that we can just pass this by, say this is fine, this is so, this is the finding of the commissioner.

The questions that I would like to ask was whether at any time the Department of Justice had been called in to conduct an investigation or not? As obviously the mayor of the city of St. John's is a one man commission,

did not have the staff necessary nor the authority to conduct an in depth investigation of this particular nature. Certainly his enquiry was limited, as he has stated in his report, the events occurred in 1969 and only in 1969 although, for reference purposes, he had to refer to certain areas or certain times prior to 1969. There must needs be some stage, there is reason because there is reasonable grounds, I am not saying there is, there is what we call certainly a prima facie case of some monkey business and possibly fraud, serious fraud, arising out of the findings of the commissioner. I think that there must need be at some time, whether it has been done in the past and nothing has been found, whether it is done now, but certainly I feel the findings of the commissioner ought to be referred to the department of Justice - an appropriate investigation should take place. After all, this is what would happen in any other instance, This should happen now. The pity of it is, is this; that if an investigation has not taken place through the recognized channels, prior to this time, it is going to be that much more difficult for the officials of the department of Justice, R.C.M.P., investigators, what have you.

The detectives necessary to bring in to play this investigation it is going to be very hard for them now. A job is going to be made two hundred or three hundred per cent that much more difficult because of the lapse of time. This ties in to my original remarks, We want to know why, why nothing was done with respect to the affairs of the town of Bay Roberts when it was first brought to the attention of the Government? We are told by the Premier that it was brought to the attention of the Government, prior to the departure of the present minister of Supply from the ministry of Municipal Affairs. So, these are the points that I want to bring out and bring out quite strongly, that there were findings in this report that leave one, on reading it, to believe that there could possibly be some monkey business with respect to the accounts, that there could be, possibly be, fraud connected with it. Certainly there ought to be an appropriate investigation, in addition to the fact finding investigation of the commissioner.

MR. COLLINS: Mr. Chairman, before we carry the item, I have a few remarks I would like to make. First of all, I would like to make a comment with regard to the incident at Bay Roberts and a statement which was attributed to the ex-minister shortly after the report was made known. As I recall, the minister, in an effort to soft-tread or white-wash the report, try and underestimate the importance of it and the allegations of it said; "it was nothing unusual, possibly fifty per cent of the municipalities across Newfoundland were doing the same thing that was done in Bay Roberts."

Now, Mr. Chairman, that is something which I have to take very strong exception to, because it is not true. We have a lot of town councils across Newfoundland, a great number of citizens who are involved, giving up their time on a voluntary basis, depending all too much on the whims and other things of the provincial government. Those are the people, Mr. Chairman, who take the brunt of the complaints of the citizens of Newfoundland. If the garbage is not collected on time, they do not go to the minister, they go to the mayor or one of the councillors. If the water line becomes broken or water is off for any reason, they do not go to the minister they go to the town council. The same applies for the potholes in the street and so on and so forth. For the minister to insinuate that what happened in Bay Roberts is common practice in councils all across Newfoundland is certainly a very sad reflection on the ability and integrity and the interest and the decency of the elected officials across this Province. I would have hoped that the minister or at least the Premier, who is guiding the estimates through the House, will reflect on that because that is something that should be cleaned up. What happened in Bay Roberts is unique to Bay Roberts. Certainly is not the practice in other communities. I would say also, it is a reflection on the employees of the department, from the deputy-minister down. Because if this is happening across Newfoundland, well then, if it is happening those people should know about it.

We know that those people do know what is going on. We do know that those people were the cause, in the first place, of having the Bay Roberts

incident investigated. I feel quite confident that if there is another isolated case or two or three cases, the officials of the department are aware of them and will have the necessary steps taken to have it corrected. I think it is a pity that that statement was made, I would hope that today some one on the other side will rebuke that.

Some one mentioned, since I came in the House, that the department is possibly overstaffed. There is nothing further from the truth, because with the tremendous growth which is taking place in local governments throughout Newfoundland, in town councils and community councils, local improvement districts, the load which has been placed on the shoulders of the officials in St. John's is tremendous, I am sure that we have not kept step in providing the additional staff which is required.

There is another real problem, Mr. Chairman. Just a year ago we had municipal elections, we find that in a great number of the councils, naturally, there was new people elected, who have very little knowledge of municipal government. In fact there are some cases where all of the councillors all seven of them, might be new people to that particular field. In some cases we have new town managers and new town clerks. People, naturally, who are interested in doing a good job are dedicated people but, because of the complexity of the operation, very often find themselves in a position where they do not know who to turn to or how to do things. I realize that the department is doing something about this. There was a seminar held in St. John's, at Memorial University, a little while ago, town clerks and town managers were brought in, some of them. But, certainly, this must be a continuing process. It is not enough to bring them in for one week or two weeks seminar, then forget about them for two or three years. Now, there is where the staff of the department comes in. I believe the department here should have sufficient staff whereby inspectors or whatever you might call them go into the field, talk with town clerks, town managers and councillors and by doing this make those people more aware of the complexities of Government more aware of where they should turn for different needs and requirements, in

this way make sure that things are done properly. I believe were this done, were staff available, we might not see another case such as Bay Roberts.

As I said, Mr. Chairman, those people who are giving of their service voluntarily. With the exception of St. John's and Corner Brook, where the mayor and councillors are paid, all the others are volunteers, they are interested in their community, they try and provide community leadership, they are involved in the real gut issues, if you want to, water and sewer roads and what have you. Those people need all of the backing that the department can give them, all the encouragement they can give them. When I say encouragement I mean financially as well as morally. I know there is a limit to the financial outlay sometimes but certainly those people need every encouragement that they can get in terms of the work which they are doing.

Mr. Chairman, when we talk about municipalities, as I said, the first thing comes to mind is garbage collection, garbage disposal, water and sewer programmes, fire-fighting, maintenance and construction of streets. Most of the municipalities across Newfoundland, by virtue of the lack of an inadequate tax base, find themselves in a position where they have to make great demands on the Provincial Government - of course this has been the accepted practice down through the years. Many of the towns have different systems of taxation, some property tax assessment, others have the service fee, which I believe the maximum to be collected now, the maximum is twenty dollars per year.

In the main, with the exception possibly of one or two of them, larger communities, in the main they have to depend almost entirely on provincial funds for street paving and for water and sewer projects. I recall last year when the first announcements were made regarding the DREE programme, the Department of Regional Economic Expansion. Now this department was supposed to float monies into Newfoundland, to take care of all the needs of all the people in all the designated DREE areas. The district which I happen to represent falls in designated area number one, or at

least it was one of the first areas to be designated for the purposes of DREE, including the Gander District, Grand Falls District, sections of Lewisporte District. The minister at the time and the Premier of the day, other ministers I would suggest led the people in those areas to believe that everything was coming out rosy from here on. It was just a matter of just applying for water and sewer programmes, for street construction, for sidewalks, for incinerators, for fire trucks, you name it, you get your applications in and DREE is going to take care of it for us.

Now, as I said, this is what the Government were spouting all over the airways, over the television, at the Economic Development Conference and at every other opportunity which presented itself, that DPEF was going to take care of all of our problems. We know that the record of course shows us that that has not been the case because in the area which I just mentioned, designated area number one, the Botwood access road I think was paid for by DREE funds - it had been started before the DREE programme was announced. The Bishop's Falls water supply was eventually, although it was started before, was eventually taken over and will be paid for by DREE. That job is not completed yet. The Vocational School in Gander was supposed to have been paid for by DPEE. That is just started now. These are the only three projects in that particular district which has been approved by the DREE people and construction really got started. I know that the towns, I am going to mention some towns in my own district but I suspect that the same yardstick can be applied all across the Province, Bishops Falls have made application for road improvements, for upgrading of roads and paving. They have also made application for housing. They have made application for recreational support, which I realize falls under the Department of Education and Youth.

The Botwood Town Council has made representation, justified, with plans and specifications and what have you, concerning water and sewerage extension, so has Gander, so has Egerview, so has Northern Arm, so has Appleton. I would suggest, so has Grand Falls, Lewisporte, Marystown, Burin, Port aux Basques,

St. George's, St. Anthony, Baie Verte, Springdale, You name it, they have all made applications. Nobody seems to know what the status of the applications are. I have talked with the officials of the Department of Municipal Affairs, Naturally they are not in a position to really say what the status of it is. While they might have approved the applications, they must go to the DREE Committee, the liaison committee or whatever it is called, subsequently on to Ottawa, I suppose, eventually be embodied in the overall DREE Programme or the overall DREE Agreement, which the minister tells us was going to be signed in January, was going to be signed in February, March, April, now it is going to be signed on three different occasions, in May.

Well, Mr. Chairman, it all revolves around Municipal Affairs. Now, this work has been done, the municipalities have done their work, they have come up with plans, considerable cost sometimes in getting consultants in and so on and so forth. Today they do not know where they stand.

Mr. Collins.

There is not a municipality across Newfoundland, there is not a mayor, there is not a councillor who can tell any of the citizens in his community if they are going to do this street this year or this street, if they are going to get a water extension, if they are going to get a sewer extension. They can tell them about fire engines because some of those have already been delivered. They might be able to tell them something about incinerators. Incinerators and fire engines seem to have gotten preference this year, for some reason. Essentially, the mayors, the councillors and the town managers do not know what is happening.

Mr. Chairman, we are in the latter stages of May, almost in June. We all know that in Newfoundland, with weather conditions being what they are, if any of those projects are really going to get off the ground and be completed this year, certainly the time has come now where the community should be calling tenders, at least calling tenders. In my estimation, the tenders should have been called long ago and the work commenced now. But they are at the stage where tenders are not even called. Nobody can tell the mayors and councillors whether there are any funds available or not. It is all very well to say and it has been said by members of this Government, by ministers of the Government, that in the event that the DREE people or the Federal Government do not come through with signing all of the things or agreeing to all the things which has been recommended for the purposes of DREE, then Provincial funds will be available. We all know the record of Provincial funds, Mr. Chairman. I am very much concerned. I am concerned to the extent that I would say; unless some worthwhile announcements, some truthful information^{is} given to a lot of the mayors and councillors across this Province and given to them quickly, there is a darn good chance that we are going to find a lot of councillors resigning. These are councils who were elected about a year ago. Some of them have probably been serving for ten or fifteen or twenty years. At least a new council that has been elected about a year ago, has found nothing but frustration in all of their efforts

Mr. Collins.

and, as I have mentioned earlier, they are on the front line. If John Jones has a problem with his garbage this morning or his water or sewer trouble, he does not go to the Minister of Municipal Affairs or the Deputy Minister of Municipal Affairs, he goes to the town clerk. The town clerk, of course, is a paid employee. Very often you find that he goes to the mayor and the councillors. Those people, being the genuine citizens that they are, they are not going to put up with this nonsense much longer. I do not blame them. They must be given the direction and the information which is needed to permit them to at least deal with the citizens and make some sensible and realistic plans for the towns which they are trying to govern.

Mr. Chairman, so much for water and sewer and other municipal needs. I would like to say a word or two about housing. Certainly in Newfoundland today, with the unemployment figures being what they are - I think the last figure shows that 25,000 Newfoundlanders were out of work - there is no indication that that condition is going to improve much in May month. I cannot see how it can improve because, while some of those might have found work, certainly we are going to find a lot of University students who have entered the labour market (and it has not been recorded yet) are going to inflate that figure. We are going to find Grade XI students graduating from the high schools across the Province. I would suggest that the figures D.B.S. will be releasing in May will show even more than 25,000 people out of work. All those people out of work, Mr. Chairman, and still we have a shortage of housing. We have a shortage of housing in a Province where there is an abundance of work. There are barrels of wood in Newfoundland which can be cut, which can be sawed into material. There is lots of land around. I realize the land has to be serviced but certainly goodness, if we are going to move any where in this Province or any where in Canada, for that matter, (We will stick to Newfoundland at the present time) money has got to be found to develop land, to permit people to get loans at reasonable interest rates and build homes. I believe, Mr. Chairman, in fact I am sure that right now, if we introduced a programme which would solve the housing needs for the people of this Province, (People are looking for housing) at the same time it would solve the unemployment problem. Certainly we cannot permit this to go on. I am interested

Mr. Collins.

in knowing what the Premier or who ever is responding over there has in mind in solving the problems of the people who are looking for places to live, shelter over their heads and what he is doing about the unemployment situation? As I have said, it is a marvelous opportunity to kill two birds with the one shot. We might say that it is going to cost someone money. It is going to cost someone money, if they are going to find money to develop land and so on and so forth. It is costing people money, if we have to keep those people on the welfare lists as well, Mr. Chairman. I think the time has come, indeed. the time has long passed when we must consider that people, as I have said, are in abundance in terms of looking for jobs. Certainly there is a great shortage of housing. We must try and get the two of those in perspective, put people to work and make sure that the people are going to be properly housed.

Mr. Chairman, I have a report here which I submitted to the Minister of Municipal Affairs during this past winter. I forget the date. It was during the early winter. This is an indication, Mr. Chairman, of the lack of housing which we have in Newfoundland. I will not read them all. I will just read a few of the surveys which I have done in a particular part of my district. Here is a place here, the size of the house is 16 feet by 20 feet. The number of families in the house is one family. The number of people in the house is nine. The type of foundation is wooden. The number of rooms is three. The number of bedrooms is two. There are nine people and two bedrooms. Bathroom facilities, none. The number of exits is two. The number of windows is four. The location of the dining area is in one of the bedrooms. The type of heating is a wood & oil stove of galvanized pipe. The type of material that was used for the construction of the house was lumber and clap board, but nothing on the inside. There is a note here which says that there are five children in this family - I am sorry I gave you the wrong information. I said that there were nine. Well there are seven in the family altogether. There are five children and only two bedrooms. There are two bunks and just one small room. There is some tentest on the walls and some canvas on the floors. There is no means of

Mr. Gdlins.

disposal of sewerage, as they have no bathroom facilities whatsoever. I have about twenty-five or thirty of those here. I am not picking out the worst ones. Here is one: A house 20 feet by 22 feet. The number of families in the house is one. The number of people in the family is fifteen. The type of foundation, none. The house is built on the ground. The number of rooms is four. The number of bedrooms is two. The bathroom facility is an outdoor toilet. There is one exit, one door. There are five windows. The location of the dining area is near the bedrooms. The type of heating again is a wood and oil stove and galvanized pipe. The type of material used for the construction of the house was clap board. There are thirteen children in this family. The ages range from twenty-two down to three months, boys and girls. There are only four beds to accommodate all. They have a dining room and a kitchen. The walls are done with paper. The house, in general, is almost ready to fall to pieces. The whole thing leaves a lot to be desired.

Mr. Chairman, there are about twenty-five or thirty others here which any member can have a look at. This is in one small section of my district. I know that there are other areas in my district where conditions are just as bad. Certainly, if that applies in Gander District, it must be just as bad in a lot of areas in Newfoundland, there is no doubt in my mind at all. This is what we need in housing. This points out the need of housing. As I said before, unless we determine what we are going to do in trying to solve some of the problems of those people, then I think we might as well close up shop here and let Ottawa or Washington or Saigon or someone look after the interests of the people of Newfoundland. That is about the few remarks that I have had to make at this particular time, Sir. When we get around to some of the other headings, I will see what else there is.

MR. HICKMAN: Mr. Chairman, there are a few comments that I would like to make and before I proceed to them I would just like to make one comment in connection

MR. Hickman.

with the Bay Robert's Inquiry and that is with reference to the suggestion or remarks made by the hon. member for St. John's East. I think, in looking at any report of any commissioner, we should bear in mind what his function is. A commissioner is not a persecuter nor a prosecutor. He is simply appointed to make certain findings of fact and, having made the findings of fact, he submits them to government or whatever government may appoint him. Government then, having received the commissioner's report, is obligated to take whatever steps are necessary to correct or implement any of the findings. This report on Bay Robert's indicated very clearly and there was a finding of the slipshod manner in which the affairs of the town were being conducted. That can be dealt with in two ways. We are told that it will be dealt with insofar as increasing the staff of the Department of Municipal Affairs, as it should be. Secondly, the voters in any municipality have a very strong weapon which they can exercise and which they did in Bay Robert's, if they feel that the affairs of their town are not being conducted in the manner that they would like to see them conducted. They simply can vote them out of office. This they did do.

But then there is the third finding that is referred to by the hon. the member for St. John's East. I direct the committee's attention to the commissioner's finding. (1) He could not find conclusive evidence that public funds had been misappropriated. Then he goes on to say that these matters, with all the honesty and sincerity I can, must prevent me from reporting to you with unqualified certainty that there was absolutely no misuse of public funds. That is a reverse finding. I cannot find there was nor can I find that there was not. Then we have a certain specific item including the cheques that were issued to Mr. Walter Bishop and one other person, I think. These cheques, according to the sworn evidence of Mr. Donald Dawe and Mr. Walter Bishop, had never been received by them and in the case of Mr. Bishop monies were not owing to him.

MR. CROSBIE: They were cashed.

MR. HICKMAN. But these cheques were cashed by someone other than the person to whom the cheques were issued. That opens up two questions.

(1) Who cashed the cheques? (2) Why were cheques issued to men for work that was not performed and for men to whom money was not owing by the town council? The other is the question of the arrears of business tax and the changing of Dawe's Hardware and Nail Limited.

Now the point that has been made to this, and it is a very valid point, it is also a very serious point. These findings by any commissioner and particularly by the commissioner in this case leaves certain - because of the very nature of a commissioner's appointment and because, as I say, he is not a prosecutor nor indeed a persecuter. It would be beyond his competence, I suggest, to make findings which are really outside his terms of reference. He can only find cheques missing, cheques not issued to certain persons and cheques having been cashed. With these findings, I do submit to this committee that there is an absolute obligation on Government to take the remedial action that is required. What would you do (forget the Town of Bay Roberts, forget any municipality) if someone comes to the Attorney General tomorrow and says that I have in my shop the cheques that are missing? I do not know what is happening but I have certain suspicions or in any event I cannot find the answer. The obligation of the Attorney General, the first law officer of the Crown, is clear and unmistakable. He must then ask the police having jurisdiction over that particular area to conduct their investigation to see whether or not a crime has been committed.

Now it seems to me that that principle, which is so fundamental and which applies to all citizens, applies equally to this report. This is why in my opinion that the recommendation and the suggestion made by the hon. member for St. John's East, that the next step, following this report and to clear it up once and for all, is to follow the usual practice that applies to every citizen in this Province. There is no citizen in this Province above

Mr. Hickman.

the workings of the law.

MR. CROSBIE: Right! Right!

MR. HICKMAN: The R. C. M. P., in the case of Bay Roberts, which is in their jurisdiction, should be called upon to initiate their investigation to see whether or not a crime has been committed. If it has not - they have very strong investigative procedures and very competent investigators. They have the ability and the right to call on experts in particular fields, if they deem it necessary. They can bring them in from their laboratory in Sackville. There is nothing wrong with that. Indeed I would suspect that the member for Port de Grave will probably insist that this be done, if for no other reason, for his own protection.

But right now I suggest that Newfoundlanders believe that there is something wrong that this procedure has not been followed. There may be discrimination. You cannot discriminate when it comes to law enforcement. The point that was made by the hon. the member for St. John's East - I would hope that Government will indicate whether the police has been asked or whether the Attorney General has been asked to conduct this investigation.

Now, Mr. Chairman, there are some other matters that come up almost annually with reference to the Department of Municipal Affairs and municipal government in Newfoundland. I make these comments knowing that we have on the Order Paper notice of an Act to amend the Local Government Act and another to amend the Local Government Election Act. Neither of these Bills have come before the House and consequently hon. members are not aware of the contents of these Bills. Some of my comments may be redundant and maybe they are being taken care of. But each year the Federation of Municipalities of Newfoundland present a very comprehensive brief to Government. They have been coming away with the impression that the brief is listened to and read and that is where it dies. I believe that our mayors and councillors throughout this Province deserve far more serious consideration than they have been receiving. They have spent a great deal of time preparing a Resolution.

Mr. Hickman.

They are not made in a parochial sense at all. They are not made simply to get their names in the newspapers. They are made as a result of detailed consideration of problems that are common to all municipalities in the Province. Having once ascertained that these problems are common to all, they then draft and prepare very reasonable, very logical and very well prepared resolutions. But this is the last they hear of these resolutions after they have been presented. I do not propose to deal with all the resolutions that are submitted by the Federation at this time. There are some which I believe should be implemented now. May I direct this committee's attention to a Resolution that was passed and submitted to Government, unanimously passed, I presume, by the federation, pointing out that a few years ago this House, upon the recommendation of Government, created a Newfoundland Financing Corporation. The financing procedures of the municipalities were changed and I believe were properly changed. It is far better to have the Province, because in the final analysis the Province is on the back of the note, controlling and knowing what the liabilities of municipalities are throughout the Province and what the borrowing requirements of the municipalities are. The Newfoundland Municipal Financing Corporation was created.

The Federation of Mayors and Councillors or the Federation of Municipalities in this Province believe that they should have representation on that financing corporation. It seems to me that that is a suggestion so logical, so powerful and so sensible that it need not even be the subject matter of a Resolution. Obviously, elected mayors and councillors have a better knowledge of priorities within the municipality than any other single person or group for the simple reason that they are the most closely involved with these problems. You may argue that if you put a representative from the federation on this financing corporation that he is going to be looking out for his own municipality first. But the record, Mr. Chairman, of the Newfoundland Federation of Municipalities, gives a lie to any suggestion along these lines. Because any representative who has been appointed to represent the Federation of Municipalities in this Province has shown himself to be a person who thinks Provincewide and who is not parochial in his thinking.

Mr. Hickman

I would like to hear from the Acting Minister of Municipal Affairs as to whether or not Government are prepared at this time to accept a nominee from the Federation of Mayors of this Province to serve on the Newfoundland Municipal Financing Corporation. This does not take away from Government the right to control the borrowing of the municipalities. It does not place the right to borrow in the hands of representatives who are not members of this House. But what it does, by the appointment of a representative to the Financing Corporation, is that it gives the federation an opportunity, almost on a routine basis, to get across to the members of the Financing Corporation the views of the elected councillors and mayors in this Province. Nothing but good, Mr. Chairman, can come from the implementation of that recommendation.

Now there is another recommendation, as I say, may be contained in the proposed amendment to the Municipal Election's Act, which we have not seen. If it is then Mr. Chairman, it is a piece of legislation that will be very welcome. That is the Resolution which calls for the separate election of mayors and councillors. This, too, has a great deal of merit. The practice that is followed in many councils in Newfoundland is that when the polls close, the man or woman receiving the highest vote in the town, at the first meeting of the new council, is elected mayor of the town. That does not necessarily follow. Quite often you will find that the man who heads the poll does not want to be saddled with the responsibility of officially representing the town or he has not the time or his job will not permit him to be away as often as a mayor has to be from time to time. You sometimes wind up and I can think of one case but I will not mention the town where the man, who came last in the last election and who had been first in the election before - obviously that vote has to be interpreted as something less than a vote of confidence in the previous administration, as mayor. He wound up again as mayor of the town because the others were not in the position to take the position. Most of them were hourly paid men

Mr. Hickman

and they just did not have the time to devote to the job as mayor nor were they in the position to travel whenever the town's business demanded them to do so. This is a very simple amendment. It is a very simple request. It gives the voters in all towns in this Province the right to know who will be their mayor and who they want to be their mayor before the polls close. There is nothing wrong with it. It is enforced and used now and has been for generations in the City of St. John's. For a while, it was used in Corner Brook and I presume it is used in other municipalities throughout Canada.

Then, Mr. Chairman, there is a Resolution that has been raised time and time again by the Federation of Mayors, in their briefs. But so far we have not seen any action. There has been a statement of Government policy each year and that is with respect to the power of municipalities to tax Crown Corporations. The Resolution this year related primarily to Holiday Inn. In effect it recognized the principle that you cannot tax the Crown, if the Crown does not wish to be taxed. But it pointed out very clearly the procedure that is used in other jurisdictions, the procedure that is used by the Government of Canada in maintaining the principle of the Crown not being taxed, but at the same time permitting and indeed directing Crown Corporations to exercise their municipal responsibility. That is simply that the town council or the municipal council ascertains what for instance Holiday Inn would pay the Town of Clarendville, if it were a privately operated hotel. Having assessed the tax that would have been payable if it were a private operation, the Crown Corporation or the Crown on behalf of its corporation is asked to make a grant in lieu of taxes based on the tax ordinarily payable. This does not destroy the Crown's prerogative. This does not take away any of the powers of the purse. This does not destroy the prerogative of Government nor the prerogative of the House of Assembly. The Government of Canada, the Parliament of Canada, has not been weakened one iota because Canadian National Railways pay a grant in lieu of

Mr. Hickman

taxes to the municipality in which they operate.

Mr. Chairman, this Resolution is going to come before this House annually, until there is a change in the present policy of exempting Holiday Inn and other Crown Corporations who receive and avail of extensive municipal services. There is no point in arguing that it is a small industry to the town and that the town should be so happy to have Holiday Inn there and the business that it generates that they should exempt them from taxes. That same argument applies with equal force to the Motel Mortier or to the Glenmill Inn or to the other hotels in Grand Falls or Gander or almost anywhere in Newfoundland. They, too, generate business and they too create a small industry. But all of these, including the Crown Corporations, look to the municipalities to provide certain essential services. I suggest that these Crown Corporations can pay, should pay, do not object to paying, provided that you maintain the Crown's prerogative to refuse to be taxed by municipalities. This can so easily be done by a grant in lieu of taxes, based on the tax that would be ordinarily payable by these Crown Corporations.

Mr. Chairman, there is another Resolution. It is a pretty dicey one, but I would love to hear from Government as to what its views are on it and that is the suggestion that residents in a particular town, who are in receipt of able-bodied relief payments, that these monies be directed to the municipalities to create employment for those who can work. We can be here from now until Christmas arguing the various philosophies and the success of these programmes in the United States and in certain parts of Canada, almost everywhere, but if you accept the principle that a man who is on short-term assistance is not there as a matter of choice but he is there simply because he has been unable to find gainful employment then you may very well find that these recipients of short-term assistance will be more than happy

MR. HICKMAN: and would find that their dignity is preserved and maintained if they were given the opportunity to work on municipal projects rather than accept short-term assistance. This is the resolution that was passed by the Federation. I have heard no policy statement, whether Government believes this is a good policy or not.

Mr. Speaker, another resolution and another problem, it is not so much a resolution that has been exercising and exciting to any extent, it depends on where you live, towns and councils and municipal councils or municipal councillors, is the implementation of the DREE programme in this Province. Our town councils are becoming more and more planning conscious, and this is all to the good. They have to bear the brunt of the attack when certain irate citizens come to the conclusion that planning is for everyone but them.

At the same time, if we expect our town councils to fairly and fearlessly enforce municipal plans that have been approved and are now part of the law, if we expect the co-operation of these councillors, then I think that the town councillors in return are entitled to ask that they be involved in the planning insofar as the creation and provision of infrastructure in this Province is concerned. This is one of things that took up a great deal of time at the last meeting of the Newfoundland and Labrador Federation of Municipalities and I thought that they made a very good point when they stated that the DREE programme is only in its infancy and consequently no hard and fast provisions have been or should be adopted as yet, as to the planning and the manner to be followed in creating the public services and the infrastructure that DREE is prepared to or hopefully will implement in this Province. They simply ask for more consultation with municipalities and with the Federation, before whole chunks of the Province are set aside or included in DREE or alternatively excluded from the DREE programme.

Again, I believe, Mr. Chairman, that the Federation of Mayors and Municipalities are entitled to know from Government what Government policy is with respect to consultation concerning the implementation or the exclusion of areas from the DREE programme.

MR. HICKMAN: The last one, Mr. Chairman, again is very much similar to the problem in which they find themselves in implementing or sharing in the implementation of the DREE programme, that is in the planning, the municipal planning for the Province generally. I cannot find the resolution now but there is a resolution in this brief which asks for closer co-operation and certain changes in the planning division of the Department of Municipal Affairs so that there can be much closer co-operation between that division and the elected councils.

Because Mr. Chairman, not only is the town council responsible for enforcing the plan, as it applies within the boundaries of a particular municipality, but in many areas where we have, I think the phrase is 'planning areas' or 'planning control areas', that are outside the municipality, Government in effect appoints a Town Council as its agent to enforce rural planning, and most town councils do this with enthusiasm and they do it because it makes a great deal of sense because, as their towns grow, they can anticipate that sometime these areas will become part of their municipality and they do not want to inherit unplanned areas.

At the same time, I think any official, in the Department of Municipal Affairs, and the Minister will admit that the town councils act as a buffer between the citizen in the planning controlled areas and Government. The first criticism, the ire of people in that area, when they think they have been discriminated against, is invariably directed in the first instance against the town councillors, who are only acting as agents of Government to enforce these plans, what they ask for now and they have been asking for this, as the former Minister knows, for quite sometime, is that they too be brought in on the planning for these development areas.

That before you ask the Town of Marystown to assume responsibility for enforcing Government controls and plans outside their municipality, that they be called in on the planning stage, so that they know what they are getting into, so that they can point out to the town planners that their suggestions may not be as realistic as they anticipate or feel they are.

MR. HICKMAN: Sometimes they can direct town planners, because of their local knowledge, along different lines from that being embarked on.

I can recall, in my opinion, one of the worst examples of town planning in this Province that could have been avoided, if there had been the necessary liaison and consultation with the municipalities.

That is the planning that presently exists in the Marystown-Burin areas. The Town Councils in that area, anyone familiar with that area, knew beyond any doubt that the future of these two Towns would be best served if the planning was concentrated on what is known as the Burin Inlet Area. But the Town Planner from the U.K. did not agree with that philosophy. They wanted to take these two Towns and in effect try and convert them into English villages, which is just not possible when you consider the geography and industry in these Towns.

So now what do you have? You have a ribbon development in Burin, extending eleven or twelve miles, imposing, directly or indirectly, on Government a burden to provide services, which is astronomical.

You have precisely the same situation existing in Marystown, where you have another ribbon development and you have the Burin Inlet Area now being developed at a rate far below its potential and the citizens of the two Towns being deprived certain essential and public services which could have been accommodated at much less cost.

Now there, Mr. Speaker, is simply in my opinion and I am sure that there are officials in the Department of Municipal Affairs who would agree with what I am saying, where the advice of the people and the elected representatives on council in that area was not sought or if it was sought it was totally ignored and we tried to super-impose, on that part of Newfoundland, a planning concept that may work well in the Midlands or some other part of the U.K. but is not providing the results and the services that could have been provided, at much less cost. The result is that those who have services are comparatively happy now, but think of the hundreds of families who have been deprived of these public services because the municipalities just cannot reach on it. I think that this resolution of the Federation, calling for a much closer liaison and better representation from their Federation on matters involving planning, have a great deal of verve, if you believe in planning, and you have

MR. HICKMAN: to believe in planning if we want to avoid many of the mistakes that occurred in the twenties and thirties, when people could build wherever they wished.

MR. MARSHALL: Before it carries, I had a few other remarks to make but before that, I wonder whether the Acting Minister of Municipal Affairs, the hon. the Premier, is going to reply to the suggestion that has been made or the report with respect to ARDA. None at all? Right!

Well I go on then, Mr. Chairman, There are other matters that I want to bring up under this particular heading, one of which is the matter that has already been spoken of before in this House, with respect to the Commission on Taxation for the City of St. John's. When this Session opened, questions were asked with respect to this long overdue Commission, that was, I think, started in 1966, commissioned in 1966, at that time, to enquire into the taxation system in the City of St. John's.

At that time also, it was noted that the taxation system in the City of St. John's was archaic, monies were being lost to the City as a result of this archaic system and that a more equitable system of taxation should be enquired into.

The Commissioner, Mr. Douglas Fraser, as we all know, and at the beginning of this Session questions were asked in the House and there is an indication, I think Mr. Fraser made to the press, that the Commission would be available in May - it is now almost the end of May and we have not heard of its receipt yet, from the Government.

Now this is very important. There are people who presented briefs, spent many hours presenting briefs to this Commission, one of which I can think of specifically, Mr. Alex Henley, who is a former Councillor of the City of St. John's, who presented a very comprehensive brief with respect to the taxation structure of the City. This brief was submitted in January of 1967. Many, many other people as well took their time to sit down and write out their ideas and present them to the Commission. The Commission is also instituted coincidental with the Phelan Commission. It was hoped that both reports would come along together and could be used together. We are still waiting for it and I do not think that we should be waiting as long as we

MR. MARSHALL: have and I would ask the Acting Minister of Municipal Affairs as to when we might expect the Commission, the Commission to be tabled. If he does not know whether any deadline is going to be put on the Commissioner for the filing of it and what monies have been spent out and what negotiations have taken place, or what directions really have taken place between the Department of Municipal Affairs and the Commissioner Mr. Fraser with a view to having this Commission report?

There is no doubt that there are many areas where the tax situation in St. John's is completely and absolutely out of date. One that I can think of is the Business Tax, which is based on the amount of rental that one is paying, It has no reference to the business itself, to the amount of the business conducted, so, consequently, if somebody is in a very old building, paying a low rent, his profits may be very, very high but that person pays a less tax than a marginal operation, which happens to be operating from a more expensive building itself.

It is also the factor that there are many people who live outside the City of St. John's, who work here and avail of its amenities, avail of the services here, and there should be some consideration given to, a certain consideration given anyway, to contribution from these people who are deriving their living in the City.

Another area in this Vote, Mr. Chairman, that we must turn our attention to, is the whole complex of Governmental Agencies that are building up in and around the metropolitan area of the City of St. John's. We have the City of St. John's itself. We have the Pippy Park Commission, the St. John's Housing Corporation, the Wedgewood Park Local Improvement Council or Town Council, or whatever it may be, and Mount Pearl as well, added to which you have your areas of Provincial Government, Federal Government, with all of the various agencies that these Governments have. There must be, I think, certainly a look taken as to whether or not we are building up a colossus of authority within the Metropolitan area, which is going to make it much more difficult for the ordinary citizens of the area to deal adequately with Government, to find the necessary agent of Government to respond to the

MR. MARSHALL: need which that particular individual may have at the time. I would submit that we have seen an instance of this in the area pollution in Rennie's River and the area^{of} pollution down around Ouidi Vidi, indeed all over the place, everywhere, all the streams are polluted. One of the problems we have in Government itself is the fact that on the one hand is the Department of Health, it is a health problem, and on the other hand it is a Clear Air Water and Soil Authority, on the other hand it is the City of St. John's itself, on the other hand it might be the Town Council of Mount Pearl but certainly, as a result of all these multiple authorities that are going up, there should be some co-ordinating bodies.

Now there are other items that I also wish to mention, with respect to this authority in St. John's. Then you have the Pippy Park Commission. Now here is a body that has certain jurisdictions, certain zoning jurisdiction within an area of the City of St. John's.

It is 1:00 P.M. now Mr. Chairman, I do not know whether I may continue?

MR. SPEAKER: It being now 1:00 P.M. I leave the Chair until 3:00 P.M.

The House resumed at 3:00 P.M.

COMMITTEE OF THE WHOLE ON SUPPLY

MR. CHAIRMAN: Order, please. Before opening the proceedings of the Committee, it is my pleasure and duty on behalf of the Committee to welcome this afternoon thirty-seven students from Holy Cross Elementary School, Grade IV students, accompanied by their teacher, Miss Flora Burt. On behalf of all members of the Committee, I bid you welcome.

Shall 1301-10 carry?

MR. MARSHALL: Mr. Chairman, before lunch I was talking on certain topics with reference to this vote, and I would like to continue on now. Immediately before lunch, I was talking about the situation which pertains in the St. John's area, in the City of St. John's, Metropolitan area, where we are developing, as apparent, a colossus of authority at various levels of Government, two or three municipal levels of Government, with varying functions, some of them more restricted than others, Provincial Government and the Federal Government etc. In one area particularly, that I was talking about before we adjourned for lunch, when I was talking about the Pippy Park Commission.

Not that Commission is doing admirable work, as far as the function is concerned, to control the area for the purpose of the Pippy Park, but it would appear to me and it would certainly appear to me that, this function could be quite adequately handled by the Government, requiring certain zoning by-laws and regulations to be administered by the City of St. John's, which I feel could do it quite adequately. If, as I believe the situation is, that the Pippy Park Commission goes outside of the present boundaries of the City of St. John's, that could be cured by expanding them as necessary or giving the City Council limited authority.

Now then again we have this Wedgewood Park area that is going to cause a certain amount of problems, because of the multiplicity of authority and the Housing Corporation itself. Now the St. John's Housing Corporation, when it was originally envisaged, had control over an acreage

MR. MARSHALL: of land in the City of St. John's, which has since been relinquished by statute, I believe, this was the original 300 or 600 acres. But certainly the original acreage that the Housing Corporation had at the time, in 1949, this was necessary at the time, in 1949, because of the fact that there was no municipal council or no municipality, the City of St. John's did not extend into the Housing Corporation area. Government waited quite a long time to loose the ties, but final it did.

However, I would point out that there is still another step that should really be taken with reference to this. The St John's Housing Corporation, in the newer areas of St. John's, is lessor of most, if not all of the land, but a good deal of the land in the newer part of St. John's itself. It is lessor at a nominal rent, rent of \$1.00 a year is demanded, It is lessor purely and simply because it can exert the same control over these properties, if necessary, as would have been exerted by a municipal council, by the City of St. John's itself. Now you could bear in mind that this particular scheme was envisaged to strengthen the St. John's Housing Corporation, in 1949, prior to the extension of the boundaries of the City of St. John's itself, but the situation sill pertains.

AN HON. MEMBER: Inaudible.

MR. MARSHALL: It is not used, but it can be used, the covenants, and the restricted covenants that encumber many properties in the newer areas of St. John's, I feel that the Government should go full circle now and, where you have nominal rentals, land rented at nominal rentals, the statute should be put through, a statute would be the easiest way to do it, to cancel out all rights which the Housing Corporation have over these properties, in which it is renting at a nominal rental, I am not talking about the ones that are rented on a yearly rental. To cancel out all rights it has with respect to these properties and created them as

MR. MARSHALL: freehold properties instead of leasehold properties, leaving the administration and the matters in the leases themselves to be administered by the City of St. John's, because all of the covenants really relate to providing, in effect, what a city council would require to be provided by regulation.

Then, again on this particular vote, I do not think we could let this minister's office go without again another reference to Elizabeth Towers, out on Elizabeth Avenue. Now a question was asked with respect to Elizabeth Towers and the reply given. The question asked, how many apartments have been rented? The reply given was, there were forty-seven apartments rented, Ninety-seven percent of the commercial space was rented, but the apartment rental was only forty-seven. A similar question, that was asked over a year ago now, indicated that then there were only thirty apartments rented at Elizabeth Towers. So it is quite evident that all is not going well for Elizabeth Towers. Then the question was also asked, for the month of December what were the expenses? And we were given expenses to some \$19,300 odd, that these were the total cost of operations in December 1970. Now it may well be because of the wording of the question, the answer given was \$19,300. But in effect very much more than \$19,000 was the actual cost for Elizabeth Towers in December, because they have borrowed, as we know, a sum of \$5 million in total, upon which interest charges are being paid, and that works out to a minimum of at least \$30,000 per month, which would have to be added to these figures of expenses of \$19,000. So there we come up with \$49,000. Also not included in the figures given, of expenses in December, perhaps because they were not paid in December but certainly they would have to be a portion of the yearly expenses that have to be attributed to that month, is the cost of insurance, the cost of taxes, the cost of elevator services etc.

So all in all, when you set this off against rentals that were received in that month, of some \$30,000, you are still in a position, at the

MR. MARSHALL: end of December 1970, of Elizabeth Towers losing in the vicinity of \$140,000 to \$150,000 per year. Now we were told by the Chairman of the Housing Corporation and the Chairman of Elizabeth Towers itself, a few years ago, when this matter was brought up forcibly that Oh, yes, Churchill Square Apartments took a while to rent. They took a year before they were rented in full, and apartment houses take a while in order to pay for themselves. This is true. But an appreciable period of time has since past and we have only forty-seven percent of the apartments rented. While it is true we have a large part of the commercial space, most of the commercial space is rented to Government agencies, such as the Medicare Commission, St. John's Housing Corporation, itself, and I believe Computer Services, as well, occupy some of the space there in Elizabeth Towers. So in effect we are paying the rent, to make the position less favourable than it actually is. When this Elizabeth Towers was envisaged and afterwards when questions were asked, we were told that even with full occupancy the net profit, they were operating on such a narrow margin that the net profit of Elizabeth Towers would be approximately \$2000 per year. As it is, we are not realizing any profit at all, but a loss. I would like to ask the question, what efforts have been made to reduce this loss by renting the apartments? It has also been reported and I would like comment on this, that some of the apartments, I believe on the second or third floor, I am not sure, have been changed from domestic apartments to commercial space, which is going to be rented to the Government in an effort again to further alleviate the loss.

But, in any event, only forty-seven of the original 102 apartments now being let, after this period of time, is far, far too unsatisfactory, when we have the housing conditions as have been recounted in this House again and again and as early as this morning by the hon. the member for Gander. Five million dollars of public money in effect has been placed into a luxury housing scheme to take care of the rich.

We hear an awful lot, from time to time, being said by people representing district outside of St. John's that, as far, economically anyway, as far as

MR. MARSHALL: benefits from the Government are concerned etc., that Newfoundland begins east of the overpass. I would like to clarify that, Now it may begin east of the overpass, but certainly very, very little has been done by this Government for the area south of Empire Avenue, The old area of St. John's, which was really the motivating force of the City of St. John's for the St. John's Housing Corporation and Elizabeth Towers itself. We have a situation, in these older areas, where there are homes that people are living in and they find it very, very hard to obtain the necessary and requisite home improvement, loans from banks. They cannot obtain the proper loans for the purpose of fixing up these homes and making them better. I would say that this \$5 million, that was used for Elizabeth Towers, and sunk in Elizabeth Towers, could have been much better used for the purpose of revolving funds for the renewal of the older urban area of the City of St. John's. Instead we have hundreds of thousands of dollars that have been utilized from time to time, that had been earned, from time to time, by the St. John's Housing Corporation since Confederation, which have been ploughed back into land developments, and land developments, are necessary, I know. But certainly it was originally envisaged that the Housing Corporation would exist for the purpose of keeping the price of land down. I do not think, by any stretch of the imagination or by any means of judgement, that it can be said at this stage to have done anything but miserably failed in this task, when we have the price of land per lot so high as it is.

But in any event, the St. John's Housing Corporation is a corporation. I think it should be pointed out, for the area in and around the environs of St. John's, which is north of Empire Avenue and has not done anything appreciable for the area south of Empire Avenue, for the older part of St. John's, which so badly needs funds made available to it for the purpose of urban and civic renewal in the Province. This has been promised to many people, in the older areas of St. John's, but it has not yet been realized.

MR. MARSHALL: I do not how to question any further, I do not know if there is any point in questioning any further the decision that was taken by Elizabeth Towers to build, the St. John's Housing Corporation to build Elizabeth Towers down on Elizabeth Avenue. But, certainly I feel that it was a type of decision that has been taken in the past by the government, which must bear the responsibility, but I think the main motivating force behind this decision came from certain permanent officials of the St. John's Housing Corporation and I do not feel that this should ever be allowed to happen again, because, I say, this Province, which needs money so badly, in effect has \$5 million, and the public accounts show that in preceding years we have lost amounts of \$140,000 and this amounts up every year. In other words, we are subsidizing the rich, the very rich of this Province at the expense really of the poorer people, who badly, badly need housing, badly need home improvements. That I think is one of the indictments on the Government, that this particular luxurious villa exists down there on Elizabeth Avenue.

So those are the points, Mr. Chairman, that I should like for the hon. the Premier to consider. (1) Are the Government prepared to take a stand and to direct that the long awaited report of taxation for the City of St. John's, to give the Commissioner now a time limit within which Mr. Fraser must present his report. (2) We come to the business of the multiplicity of local governments of various local authorities and boards that are existing in and around the Metropolitan District of St. John's, what has been doing to co-ordinate these efforts, but most important, to make it more easily appreciated by the citizen in this Metropolitan area to which organ of government he goes. (3) What exactly has been done with respect to Elizabeth Towers, which has lost money since its inception and is still losing money. (4) I have to advert to this again; if the Premier is not going to comment on the observations made, with respect to the affairs of Bay Roberts, and is not prepared to comment, with respect to the points raised that certain matters in the report should be referred

MR. MARSHALL: to the Department of Justice, I should like the Premier to indicate to the House why in effect he is not prepared to do this? As I feel it certainly should be done for the reasons outlined so eloquently by the hon. the member for Burin, when he was speaking here today.

MR. COLLINS: Mr. Chairman, before we let the item pass, I overlooked one particular aspect this morning, which possibly creates the greatest natural burden on municipalities across the Province and that is the burden of upgrading and reconstructing and paving roads. Up until a couple of years ago, 1968, I believe, there was a fifty-fifty cost sharing arrangement, whereby the Province paid fifty percent of the cost of upgrading and paving and the municipality, through raising loans or whatever, paid the remaining fifty percent. In 1968 that arrangement was thrown out. It had not been replaced. There is no arrangement of fifty-fifty, seventy-five-twenty-five nor anything else now, other than normal grants. I wonder would the Acting Minister, the Premier, respond to that as well?

Mr. Chairman, while I am on my feet, it might be appropriate at this time for me to welcome Mayor Dominic and Councillor Boone and Town Manager Baker from Bishop's Falls. I think it most appropriate that they would be here today. I suspect they are ^{on} municipal business, and certainly, since we are debating the Department of Municipal Affairs estimates, I think it is most appropriate that they could be in the chamber.

MR. CROSBIE: Mr. Chairman, I cannot understand why the hon. the Premier has not replied, as the Acting Minister, to the points that have been raised here about the enquiry into Bay Roberts, number one, and there has been quite a few other points raised also. There has been the question of the Fraser Commission and the City of St. John's raised. The Premier has not answered the point that the member for St. John's East made this morning, when we were adjourning, that there is still no report from Mr. Douglas Fraser, the Commissioner who was appointed in December, 1965, by the Government, to bring in a report on the tax and revenue system of the

MR. CROSBIE: City of St. John's - that is five and a-half years. As the member for St. John's East said this morning, we were told, two months ago, the second start of this report would be ready in May. Surely, with all the assistance the Premier has, he could find out from Mr. Fraser today when that report is going to come forward, if it is ever going to come forward. He should indicate to the House, if it does not come forward within the next month or two months, that there is going to be some other Commissioner appointed or the whole thing washed out. One or the other, but there should be some answer to that question.

Secondly, Mr. Chairman, there have been questions raised about the enquiry and the report into the Town of Bay Roberts, the affairs of that town. There is evidence in that report of criminal acts. That is quite clear in the report. There is no finding in the report that monies were misappropriated. The finding is that there is no evidence of what happened to monies and, therefore, the Commissioner could not say who had misappropriated money or what had happened to it. But that money was misappropriated, is clear. There are certain specific criminal acts mentioned in the report, that the Government should have investigated further by the Department of Justice or the R.C.M.P. There are the cheques that were made out, five cheques made out to two employees of that council, who swore an oath that they did not receive the cheques. Those cheques went through the bank. The money went out of the accounts of the Town of Bay Roberts. The money was not received by the two individuals concerns. That is their sworn evidence. Those are criminal acts.

Now the parts of the enquiry that relate to those specific criminal acts should be referred to the R.C.M.P. for investigation. If they report back that they can do nothing, that the evidence has disappeared, there is no evidence to make a prosecution, well that ends the matter. But the Premier should indicate whether this has been done, whether the Adam's Report has been turned over to the R.C.M.P. for investigation for possible

MR. CROSBIE: criminal prosecutions. Certainly the matter should not be left up in the air, that there are no answers to those questions. Either that action has been taken or it has not been taken. It certainly should be taken and if the Government will not take it, well we deserve to know why the Government does not want to take that action or will not take that action.

I also want to support a statement that was made by the member for Gander, this morning, when he refuted the member for Port de Grave, who has said or is quoted as saying that, "half of the municipalities in the Province are in the same condition as the Adam's Report pointed out with respect to the Town of Bay Roberts." To my knowledge, Mr. Chairman, that is definitely not true or not correct as a fact. I was the minister, from the end of July 1966 to the end of September 1967, in that time I am sure I approved at least one hundred or 120, if not more, reports of the Auditor General, on various Town Councils in the Province. During that period, there was never one that came across my desk that anywhere approached the 1969 report of the Auditor General on the Town of Bay Roberts, not one. On the 1968 report of the Town of Bay Roberts, there may have been one or two that approached that, in the conditions that that 1968 report indicated. So it is not correct, unless there has been a general deterioration, and I doubt it, in the last three years. It is not correct to say that there are many municipalities that would be found to be in the same state as the Town of Bay Roberts, that is just not correct.

The Premier should deal with those points before we go on. If he will not deal with them, then we know he does not want to deal with them. I have other points, but I am going to wait until we get down on the headings, Mr. Chairman.

On motion item carried.

On motion item 1311 to 1311-03-01 carried.

MR. CROSBIE: 02 - Local Councils. Mr. Chairman, this is a vote of \$2.5 million for Local Councils. I would like to have the breakdown as to what grant of \$2,500,000 is for.

MR. SMALLWOOD: It is too long to read out. If the hon. gentleman wants a copy, I will send it over.

MR. CROSBIE: No, no, but what kind of grants, I mean what are these?

MR. SMALLWOOD: The seasonal revenue grants, there are eight pages of typescript. We will read all of that into the record?

MR. CROSBIE: This sum of \$2,500,000, Mr. Chairman, these are all the Government share of revenue grants.

MR. SMALLWOOD: These are all the revenue grants, yes.

MR. CROSBIE: This is a dollar per dollar, and \$1.50 per dollar and the ordinary revenue grants?

MR. SMALLWOOD: Right.

MR. CROSBIE: Well has there been any change in the formula with respect to the grants that are paid when a council -

MR. SMALLWOOD: No, no change.

MR. CROSBIE: I would like to complete my question before the hon. the Premier answers.

MR. SMALLWOOD: Just save a little time.

MR. CROSBIE: We are not here to save a little time, we are here to do the business of the Province. There would be a lot of time saved, if the Premier would stick to the point.

MR. SMALLWOOD: Use up more. Use up more.

MR. CROSBIE: This is not a question, Mr. Chairman, of using up time.

MR. SMALLWOOD: The answer is no, no change.

MR. CROSBIE: Now, if I can proceed with my question. This is \$2.5 million, the Premier may not want to give much information on it, but we would like to get some information on it, it is two percent, roughly, of what is going to be spent this year. The formula was, I think, it stops at a maximum, when a council reaches a revenue, I cannot remember the figure now, \$75,000, I believe, that there is no longer a maximum grant, that is you get a dollar per dollar, for each dollar revenue the local

MR. CROSBIE:

council collects it gets a dollar from the Provincial Government, up to \$75,000. but once the \$75,000. revenue is reached the grant stops altogether. Now, Mr. Chairman, that formula was put into effect very, very many years ago, in fact I think fifteen or twenty years ago, at the time when we did not have very many town councils that collected local revenue in excess of \$75,000. Now the question I have, therefore, is: is the Government considering changing its formula to encourage local municipalities to collect additional revenue and to give them some encouragement to raise more local revenue? I mean now, when they go beyond the \$75,000. mark, they start to lose the incentive grant from the Government. Has the Government considered changing that formula?

MR. SMALLWOOD: No, not actively.

MR. CROSBIE: Well, will the Government consider changing it?

MR. SMALLWOOD: We will.

MR. COLLINS: Mr. Chairman, with regard to that, there are a great number of municipalities across the Province who, by virtue of the makeup of local Government, they must operate under the local Government Act as opposed to the City of St. John's Act or the City of Corner Brook Act. Now there are a great number of municipalities now which are being discriminated against, owing to the ceiling which the hon. member from St. John's West just mentioned. Once \$75,000. is collected locally, there is no further matching of that amount by Provincial Government. Actually it discriminates in two ways, Municipalities which have grown in population 9,000, or 10,000 people and there are several of these now, several of those municipalities have been discriminated against.

Another form of discrimination is that any municipality which does a good job of collecting the taxes from the local property owners, anyone who does a good job at that are discriminated against again.

MR. COLLINS:

So surely it is not enough for the Premier to say that he has no intention of changing this, as this is something which should be brought up to date.

MR. CROSBIE: Yes, Mr. Chairman, the Premier has sent over this list of the revenue branch for this year, and the places that are being discriminated against by this formula are as follows: Baie Verte is getting a grant of \$75,000., well that is the maximum. Now if the formula were changed Baie Verte would receive a greater revenue grant than \$75,000. but Baie Verte is up to the maximum, so it will not get any more. Channel, Port aux Basques is going to get a revenue grant of \$75,000. Deer Lake is going to get a revenue grant of \$75,000. Gander is going to get a revenue grant of \$75,000. Grand Falls is going to get a revenue grant of \$75,000. Happy Valley is going to get a revenue grant of \$75,000., Lewisporte \$75,000., Mt. Pearl \$75,000., Stephenville \$75,000. and Windsor \$75,000. So there are eleven municipalities now receiving the maximum revenue grant of \$75,000, although I would say in all cases their local revenue is much in excess of \$75,000, but they are no longer receiving this grant.

Now in the case of the two cities, that is the city of St. John's and the city of Corner Brook, to which revenue grants do not apply at all. but they are getting assistance in other ways and there are no revenue grants at all. But the towns that are becoming the medium size towns, the towns that are proving, the local revenue is picking up, have more local sources of revenue and of course more local expenses, because they are becoming more sophisticated, they have to have water and sewage, they have to have paved roads, street lighting and all the rest of it, are being discriminated against by this formula now, and I feel, and the Premier says that the Government will consider it, that it is time now to look at that formula, so that these communities which

MR. CROSBIE:

have reached the maximum, the ones I mentioned, Baie Verte and the others, will now still receive some encouragement in connection with the revenue they collect in excess of \$75,000.

Now the towns of the Province are going to receive \$1,919,000, in revenue grants this year, the rural districts are going to receive \$40,000., local improvement districts are going to receive \$315,000. There are quite a number now of local improvement districts, Mr. Chairman. These are municipalities and they have all the powers of towns but they do not have elected councils. There are a surprising number of those. One of them gets a maximum grant of \$75,000., that is Labrador City and Wabush, two. Both Wabush and Labrador City are getting the maximum of \$75,000 but there are an amazing number of local improvement districts, there are about thirty local improvement districts, which means that these are bodies with all the powers of municipalities but whose councils are not elected. One would hope to see that change fairly quickly and see that these local improvement districts are turned into municipalities.

For example, Labrador City and Wabush are two modern towns, I do not think anybody can say that their citizenry, that the people who live in Wabush and Labrador City are not capable of electing their own council or that they do not have good people living up in those two areas, who could be councilors on a council. I would like to ask the Premier, as acting Minister of Municipal Affairs, when is it contemplated of changing some of those local improvement districts and permitting them to have an elected council, particularly Labrador City and Wabush? Then there are a whole host of community councils, of course, which get smaller grants, and the whole thing totals \$2.5 million. When is the Department contemplating, Mr. Chairman, having elected councils, for example, in Labrador City and Wabush?

MR. SMALLWOOD: The answer, Mr. Chairman, is that we are not. We are quite content to wait until those communities indicate to us that they themselves want the change made and if they so indicated we would be happy to oblige them but we are not going to force it on them, any change in their status. We think that this sort of thing cannot be forced. We think that this sort of thing should happen only as a result of an internal and almost spontaneous desire on the part of the communities in question, to change their status from what they are to something higher. Now all the desire in the world would not persuade us to make them cities. The city of Labrador, for instance, Labrador City and the City of Wabush are called city, and these are courtesy titles and they are not cities in the conventional sense of the word, the traditional sense. There are only two of these in the whole Province namely St. John's and Corner Brook.

So we have Labrador City and the City of Wabush, incidentally names that I put on them myself, and my reason for putting these names on was to make living in Labrador City and the City of Wabush a little wee bit more attractive to the people who live in them, so that in giving their address they could say "I live in the City of Wabush or I live in Labrador City," and as an address it commands a little more respect than if it were merely some obscure name in the heart of Labrador. I always regretted that Farnish Gut was changed to Fair Haven or Fair View or some innocuous name of that nature, but I could understand the feeling of the people living in Farnish Gut. If you were visiting Toronto and someone ask you where you lived and you say Farnish Gut, you know it would be just, for some people at any rate, not for me if I lived there, but for some people it would be a bit embarrassing. By the same token, if you are living in the heart of Labrador and you visit any part of the world or you write to people in the world and you get letters in and the name of your town is mentioned, if it is called Labrador City it is

MR. SMALLWOOD:

somehow a name that commands just a bit more respect and attention perhaps than some name that did not have the word city in it.

When I suggested that Wabush should be called Wabush City the answer I had was, "Well, do not call us Wabush City as you have Labrador City. That is okay, do not call us Wabush City, call us City of Wabush." So the official names of the two places are Labrador City and City of Wabush, but they are not cities in the technical and constitutional meaning of the word. They are not cities, they are communities but they are called city for courtesy and for the reasons I have indicated. We will have to give them full town council status if, as and when they and all the people involved and concerned ask us to do so. We must remember that both these towns are different from, I think, any other towns in this Province, unless it be Churchill Falls.

Churchill Falls is wholly and entirely, I believe, owned by the Churchill Power Corporation. Labrador City is a little less owned wholly by the Company, and they have encouraged people to buy land and buy the homes there and quite a bit of home ownership is developing there, as also in the City of Wabush. But even though that be the case, the fact remains that the two companies carry an enormous part of the cost of the community, as a community, an enormous part of the cost and therefore they are not quite on all fours with towns all around the Province. Now Buchans used to be like that, Grand Falls used to be like it. There was a time when every last square inch of land in Grand Falls was owned by the company and every building in it was owned by the company. I think even the buildings that were occupied by business concerns were owned by the company. Gradually the company sold the buildings to the occupants and then gradually they sold the houses to the occupants and then they accelerated that movement to get as many people as possible to buy land and buildings and homes and shops and lodges and

MR. SMALLWOOD:

what have you,so that they would have a stake in the town.

The last town there was on the island here that you could call a company town was Buchans, but I think now that in Buchans there has been a great change. So in all those towns Buchans, Churchill Falls, Labrador City, the City of Wabush, at least, (there maybe one or two I do not think of at the moment and I do not know what the position is in the great Gull Lake mining town, I would imagine that all the land there is owned by the company, I do not know but I would imagine so) but in all of those cases you have a situation somewhat different from the general run of towns throughout the Province and certainly in those cases and in other cases as well, we will not force our views on them. We will encourage them to develop local autonomy and, if, as and when they wish to have a greater degree of local autonomy and authority than they now have, we will be happy to oblige.

MR. MURPHY: Mr. Chairman, just on these local councils, it gives me a chance possibly to just pay tribute to the many hundreds of Newfoundlanders who are contributing to such a great degree in the development of our Province. I feel sure that anybody, whether he be a politician or what he be, or a businessman, must look forward to the development of all the Province, on the local council level, whether it be a local council or a town council or a city council. When we take into consideration, Sir, that I suppose pretty well all these, councilors, mayors or what have you, are working voluntarily for their own area, the thought often strikes me, and I have travelled a great part of the Province and spoken with many of these councilors and mayors and so on and so forth, what degree of co-operation is there between the Department of Municipal Affairs and the councilors and the council as such? Now when we look and it has been discussed thoroughly and I do not want to go back over all the argument that has been put forward

MR. MURPHY:

today with reference to happenings in various municipalities, but I think the thought has been projected by pretty well everybody, Sir. Is our Department of Municipal Affairs and Housing equipped with the staff, advisory or whatever you like, that would go out and work with these councils that we have spoken about, the training of town clerks and so on and so forth? This is so very important, Mr. Chairman, and I feel that we have to have, if we are to develop the Province one hundred per-cent, we have to have these local councils - we have to appreciate the great contribution being made and we can look at Gander, Grand Falls or St. John's but when we get down to some of the island parts of the Province, some of the more remote parts of the Province, and a tremendous amount of work that is put in by these gentlemen, and, as I said earlier, without any compensation whatever, men who have to go out and work all day to earn their living, come home and put so many hours a week, a month, a year into looking after their own areas.

The only feeling I have, Sir, towards all this, is that our Department of Municipal Affairs should be sufficiently stocked to provide the expert help that these councils require to assist them, that we should do everything within our power to encourage the growth of these councils because, as I say and I think no-one can deny the fact, that if we are to develop our Province as we would like to, every area of the Province must be working together to attain the status in life that the seventies require. I am sure, Sir, that everybody in this House, in Committee today, really appreciates the work that is being done by the local councils and the councilors and the mayors.

I can only say, Sir, that as the outcome of the discussions that have been held and the various points that have been raised, that our Department of Municipal Affairs should be increased in personnel,

MR. MURPHY:

that our outside councils should be brought into St. John's, perhaps to classes or perhaps travelling experts from our department should meet in various areas and bring these councilors and particularly the town clerks, the business managers, if you like, of these, together and assist them with any problems they may have. Because I feel, Sir, and I said it earlier, that if we are to develop as we would like to, we must depend on the two hundred odd or two hundred and fifty odd, I believe was mentioned yesterday by the Premier, that make up the effort of hundreds of our citizens who are contributing without any remuneration whatever. I feel it is a tremendous job they are doing. Sir, and there is nothing that we can do that would exceed perhaps the contribution these people are making to the growth of our Province.

I would certainly hope, Sir, that when we finish these estimates, that we would come out with the thought of one great lack among the many great lacks existing in our Government today and that is the necessary co-operation, advice that this department should give to these two hundred and fifty councils and the hundreds of councilors who, I say, are doing a tremendous job for the Province.

MR. CROSBIE: Mr. Chairman, just before we get off the point-

MR. BARBOUR: Mr. Chairman, I just want to say this in passing, that there are ten councils in my district of Bonavista South. There are nine community councils and, of course, the great council of the Town of Bonavista. During my years in this Hon. House, I have been associated with them almost every day of the year and I get nothing but the greatest of co-operation from the council, in conjunction with the greatest of co-operation from the Department of Municipal Affairs, right here on the main floor in Confederation Building. Every one of my councilors and my chairmen of my councils, I call them nine because

MR. BARBOUR:

I am the instigator, with the exception of one council, of bringing these councils to the historic district of Bonavista South, which includes, of course, the great town of Bonavista.

Well, let me say this, at no time has any chairman or the mayor of the council of Bonavista or any councilor had any reason to kick or to be disappointed over the services they have received from the Minister (whoever he was, in charge) and from his officials, his subordinates here in the main councils, I would call it, the Municipal Affairs Department. Therefore when the hon. the Leader of Her Majesty's Loyal Opposition, who happens to be my member because I do live in his district, St. John's Centre, (he has referred to me as his poll captain)

I can assure him I am a poll captain but I am a Liberal poll captain. Mr. Chairman, I just want to say then that there is no truth in what he has said; that there is no co-operation, as there is every co-operation and I firmly believe the same co-operation exists in the other forty districts, mine making the forty-one.

So I have to stand here today to say this, that my people are co-operating with the Department of Municipal Affairs and vice-versa, which means that we are all going around happily together, and every time I approach, every time I approach the Municipal Affairs Department here in St. John's, with any reasonable request, it is always acceded to and I always get satisfaction. Every council in my district today is not only happy for the great member they have but they are also happy for the Department of Municipal Affairs.

MR. EARLE: Just so as the hon. member who has just spoken does not feel completely alone, for once I would like to agree with him, in this respect that the co-operation which he gets and I am sure all of us get, on both sides of the House, from the Department of Municipal Affairs, particularly the senior officials, is outstanding. I would like to

MR. EARLE:

express my appreciation.

I just want to ask a question in this connection: Particularly in the initial votes and in this vote, how are the sums which are given to various councils arrived at? Is there any set formula or is it just the case of need or a particular energetic council or councilors? It seems to me that there is a great variation in what is done for different places. It does not seem to be based on size or population or anything else. I am just wondering how this is arrived at, because there are many places trying for assistance and it must be a very difficult task for the officials and the Minister to decide. But just how is this done, particularly when a new council is setting up? There is a standard grant I believe but then, immediately after, there is a follow through with some additional amounts of money. I hope that the decision is not a political one and I hope that it is done completely fairly. I was just wondering what the formula is.

MR. SMALLWOOD: The formula is determined in two ways. First and foremost by the population of the area in question and, second, as modified by the advice of the officials as to whether the amount that the population would call for is quite enough or whether there are special circumstances that would justify more. It is never less but it might be more.

MR. CROSBIE: Mr. Chairman, the one thing about the Premier, when he speaks in the House, is it is amazing how long he can speak and how little information he can give when he does speak. For example, when he spoke earlier we had a great dissertation on company towns in Newfoundland and when the first one was and when the last one was and all that kind of thing, quite irrelevant to the questions that have been asked, to the questions that have been raised and the points that should be answered: as to what is going to happen to the

MR. CROSBIE:

Adams Report or whether the police will be ask to check it, whether Mr. Frazer is going to bring in his report, no information on that. But if you ask a question about Labrador City and Wabush you get information not about Labrador City and Wabush but you get told about the Buchans company town and this company town and that company town and all the rest of it, a master at dissimulation.

MR. SMALLWOOD: (Inaudible).

MR. CROSBIE: Well, the hon. gentleman seemed to be pretty worried about those two syllables. They seemed to bother him a lot. Now, Mr. Chairman, one piece of inaccurate information we were given last night, if these figures here are right, is this; here is a list of all the revenue grants given and that the department has asked for this year totalling \$2,500,000. Last night the hon. the Premier said there were 250 municipalities in Newfoundland. No such thing, if this is an accurate list. If this list is accurate, there are 101 community councils, there are thirty-five local improvement districts, there are seventy-three town councils and there are five rural district councils. That makes a total of 214 and if you take the City of St. John's and the City of Corner Brook that is two more, that is 216.

So the department, if these, and I am going by all the names that are on this list here of revenue grants,

MR. CROSBIE: The department does not have 250 municipalities to supervise, it has 214. Of those it has only seventy-three towns, five rural districts which are the same as towns, only for some reason they are called rural districts, and thirty-five local improvement districts. The 101 community councils are very small affairs.

It should not be too hard Mr. Chairman, to check on what is happening in the seventy-three towns, five rural districts and thirty-five local improvement districts. It is not 250, as was said here last night to make it sound a tremendously difficult job of supervision. It is not that at all. The most is 214, of which 101 are community councils. That leaves 213.

Now, there are thirty-five local improvement districts listed. I assume that that means, if it is a local improvement district it does not have an elected council. I cannot understand the Premier's statement that it is the Government's policy not to disturb this. It should be the Government's policy to encourage democracy in local government. Why should the Government sit back and allow Labrador City and City of Wabush to be run by appointed local improvement district councils? They are appointed by the Government of Newfoundland. In other words, the Government of Newfoundland has appointed the local improvement council in Labrador City and the same at the City of Wabush, therefore, the Government indirectly controls those two councils. It controls another thirty-three; Arnold's Cove, Buchans, Carmanville, Centreville, Chapel Arm, Come by Chance, Cook's Harbour, Cow Head, Dark Cove and Middle Cove Gambo. (It does not seem to be correct, they used to have elected councils down there) Flowers Cove, Goose Bay, Hant's Harbour, Hawkes Bay, Heart's Content, Howley, Isle aux Morts, Kippens, La Scie, Lawrence Pond,

MR. SMALLWOOD (J.R.): Read them all out.

MR. CROSBIE: Long Harbour, Milltown Head of Bay d'Espoir,

MR. SMALLWOOD: Would the hon. gentleman like to have a dictionary? That will take longer to read.

MR. CROSBIE: North West River, Petty Harbour, Trinity Peninsula Bay,

Wareham, Wedgewood Park. All of these Mr. Chairman...

MR. SMALLWOOD: Would you like a telephone directory?

MR. CALLAHAN: All around the circle.

MR. CROSBIE: Just listen to it. What is the guide the Premier is reading there? He is leaping through, pretending that he is unconcerned, all the time getting tighter and tighter.

MR. SMALLWOOD: I am very much concerned.

MR. CROSBIE: You will soon see him uptight now.

MR. CHAIRMAN (NOEL): Order please!

MR. CROSBIE: There are thirty-five local improvement districts that do not have elected councils. It should be the Government's policy, Mr. Chairman, to see that they are converted into elected councils as soon as possible. Why should the fifteen or twenty thousand residents of Labrador City and Wabush be run, in their municipal organization, by a body appointed by the Government of Newfoundland? That may be necessary for the first year or two or three while there is a transition, but that transition period is long over now with Labrador City. Is it that the iron ore companies do not want elected councils down there? Or that the Government do not want elected councils down there? Is it that one elected member for Labrador West has been enough trouble, and that if there were two elected councils for Labrador City and Wabush they would be kicking up, passing resolutions and creating bad publicity for the Government? Is that the real reason? That is what I suspect is the real reason.

The Premier's answer, that the Government will wait until the people demand an elected council, does not hold water. Why should the Government wait for that? Is not the whole purpose of having a local Government movement to encourage local control over local government? I mean, we can have local government without having any elected councils at all. It would be much more efficient. We can have the French system, county government. Have them all appointed by the Government of Paris, in this case Confederation Building. You know, if that is more efficient, quieter and more desirable, that is one approach. We do not have that

system because it is, in theory, at any event, or has been, that we should encourage local democracy here in Newfoundland, elect a municipal government.

They have thirty-five local improvement districts. That is a poor commentary on that, on developing local self-government.

MR. SMALLWOOD: Will the hon. gentleman be kind enough to tell me who it is in the gallery now he would like to impress? Who is it that he would like to impress? He is boring all of us.

MR. CROSBIE: I do not know what hon. member opposite it would be best to ignore. They are all so ignorant, it is better to ignore the whole bunch. They can all leave the Chamber, the whole lot. Go on, get out, go on: we do not care.

MR. CHAIRMAN: Order please!

MR. CROSBIE: We are not interested, if you are bored or if you are not bored. You are only allowed to speak once a session. The hon. boss of Bonavista South had a few remarks there. He has allowed eight or nine councils to be created in his area of Bonavista South.

MR. BARBOUR: (Inaudible)

MR. CHAIRMAN: Order please! I wonder if we could get a little closer to the point, now on local council grants?

MR. CROSBIE: That is exactly the point we are on, local government grants, Mr. Chairman. There are thirty-five local governments here that have not an elected government, which I think is very disappointing. There are three main points. (1) Making the system of revenue grants, should be changed. (2) the areas that have local improvement districts, now should be encouraged, as quickly as possible, to have elected councils. (3) the department does not have 250 municipalities to supervise. It has seventy-three towns and five rural districts.

MR. MURPHY: These local councils are appointed by Cabinet or something?

MR. CROSBIE: All the local improvement districts are appointed by the Cabinet. We thank the Premier for the information he sent over.

We have not heard any answers yet, on other things. If the Premier is going to grunt and groan here, let him give us some information, and not pretend to be reading 'Time Magazine.' The time has come...

MR. EARLE: I thought Mr. Chairman, that the demand for these local councils was increasing rapidly. There seems to be a lot of applications.

MR. SMALLWOOD: Yes, but not increasing in geometrical progression.

MR. EARLE: There seems to be many more of them applying.

MR. COLLINS: On 04, Mr. Chairman, Metropolitan Area Boards, \$157,000. Does this mean salaries for the Metropolitan Board? If it does, I would like to know who the members are, how many meetings they have and how much they are paid per meeting?

MR. SMALLWOOD: I did not hear the question.

MR. COLLINS: The Metropolitan Area Board, \$157,000. Does this mean that this is the salaries for the board? I would like to know who the members are and how much they are paid?

MR. SMALLWOOD: No. no. These are the costs of the board. The board has a staff. They do extremely, extraordinarily important work, and the budget is a quite modest one for the enormous amount of important work they do. The acting chairman gets, I think it is \$10 thousand a year. At the moment, the acting chairman is a civil servant. He gets no salary. Normally we have a chairman who gets a salary of, I think ten or twelve thousand a year - \$10 thousand a year. Then there is a small permanent staff, and they have to engage engineers from time to time. It is quite a modest budget.

MR. COLLINS: Is this board elected or are they appointed?

MR. SMALLWOOD: They are appointed by the Government.

MR. CROSSIE: Mr. Chairman, the St. John's Metropolitan Area Board, the Premier just said, is appointed by the Government. To my mind, the St. John's Metropolitan Area Board is becoming a great disappointment. It is supposed to be...

MR. SMALLWOOD: Another big speech?

MR. CROSBIE: I have the right Mr. Chairman I believe to speak on these estimates.

MR. SMALLWOOD: Of course, and he is taking his rights.

MR. CROSBIE: The hon. the Premier has the right to speak on them too. If he does, he will tell us all about company towns, going back about fifty years, all irrelevant. When someone else wants to speak on something relevant he tries to object.

MR. SMALLWOOD: The hon. gentleman is becoming a complete bore. He is boring this House to tears.

MR. CROSBIE: Go on. When you are finished let me know. Now that the Premier is finished I will carry on.

The St. John's Metropolitan Area Board, Mr. Chairman -- now I am going to speak on this item and I am going to speak on every other item where I think I have something to say as a matter of public interest. No one in this House is going to stop me doing it, no one.

MR. CHAIRMAN: Order please! Order, Let us carry on.

MR. SMALLWOOD: The public will, when the election comes.

MR. CROSBIE: Why does the Premier not come and run in St. John's West? Loud mouth!

MR. SMALLWOOD: I did, and I beat the Tory.

MR. CROSBIE: Come on and do it in 1971! Come on, do it!

MR. SMALLWOOD: I will do it again!

MR. CROSBIE: Come on and do it!

MR. CHAIRMAN: Order, please! Order, please! What is happening, as hon. members can see, is that an hon. member speaks, he invites controversy, then controversy starts and then he objects because he cannot speak. The hon. member for St. John's West does not have to claim his rights here. He knows what his rights are. He is entitled to speak, and all he has to do is speak.

MR. CROSBIE: I am endeavouring to speak Mr. Chairman.

MR. CHAIRMAN: Well please carry on.

MR. CROSBIE: All right! Okay!

Now, the St. John's Area Metropolitan Board is becoming a serious disappointment, Mr. Chairman, as I started out to say five minutes ago, before I was rudely interrupted. It is an appointed body, not an elected body. There should be no political pressures on it. It does not have to get re-elected. The members do not - they are at the whim of the Premier. He can appoint them or he can dismiss them, but the electorate cannot appoint or dismiss them,

Their main job is supposed to be to control building and sanitary conditions in the St. John's Metropolitan Area. That is what they are appointed for. In that task, Mr. Chairman, they are lamentably failing and the Government is failing.

MR. SMALLWOOD: They are what?

MR. CROSBIE: They are lamentably failing. Lament, Lament, they are failing.

MR. SMALLWOOD: 'In-tol-labrly' and 'la-man-tably' failing.

MR. CROSBIE: That is right! Listen to it, eh! Should it be out of the cage, I wonder?

Now, Mr. Chairman, this St. John's Metropolitan Area Board and the Government are supposed to have a policy in connection with building and planning. What is their policy? The Government is spending millions of public funds to create a new town out in the Mount Pearl Park area, millions. You can see the figures in the report of the Newfoundland and Labrador Housing Corporation. With the assistance of C.M.H.C., this has been going ahead for the past two or three years. It is supposed to be a new city which is going to arise out in the Mount Pearl area, with eventually ten or fifteen thousand inhabitants.

The Government is now having a study done, with the help of DRFE, and DREE is supposed to help finance a complete water and sewage system for Conception Bay, from Topsail right up to Holyrood or at least up to Seal Cove. That area badly needs it. There have been referendums up there, and they are going to become a municipality with parts of it not wanting to come in yet. The scheme is that there is going to be water and

sewerage provided, from Topsail up to Seal Cove. When that is done, you have a tremendous area of land in there that can be 'in-filled,' where people can go, build houses and be attached to water and sewerage.

You have an area developed for fifteen thousand at Mount Pearl. You have an area developed on the Conception Bay Shore South that will be able to take another twenty or twenty-five thousand people, and then you have a St. John's Metropolitan Board that will allow anyone who wants to build anywhere, to build.

Just drive out the Thorburn Road: One of the first principles of planning, Mr. Chairman, is that you prevent ribbon development. In other words, where you have a main highway or main thoroughfare, like the road from St. John's to St. Phillips, you do not permit people to build along that road, side by side, right from St. John's to St. Phillips, using septic tanks and wells. You do not permit it, because this impedes the traffic on the road and makes it extremely dangerous. Instead of being a highway, it becomes a city street. Anybody who drives out the Thorburn Road today will see what is happening. Permit after permit is being granted, by the St. John's Metropolitan Area Board, for people to build all along that road.

You take an area like Hogan's Pond, where I happen to have a summer place. The same thing is happening there. It is supposed to be a summer cabin area, yet permit after permit is being granted, allegedly for summer cabins, yet, people are living there all year round. There is no control over that. Now, permits are going to be given for the development of sub-divisions between the Thorburn Road and Hogan's Pond, using some kind of a sewage treatment plant. You have the same thing at Oliver's Pond. You have the whole metropolitan area being spoiled for recreation and summer homes and the rest of it, because the Metropolitan Area Board is not controlling land use.

The Minister of Health said here, the other day, that he has held up the Oliver's Pond development. Mr. Vokey wanted to develop all

these homes at Oliver's Pond. The Minister of Health has held it up now for a year, although his officials say that on health grounds it could go ahead. He is holding it up, because the minister does not agree with the land use feature. Well, the land use feature is within the control of the St. John's Metropolitan Area Board, but it apparently is willing to give Mr. Vokey a permit to build twenty, thirty or forty homes in around Oliver's Pond, right next to Windsor Lake.

What kind of a land use policy is that? They were years, Mr. Chairman, developing a plan for the St. John's Metropolitan Area. Hearings were held on it, a commissioner held hearings, it was adopted. What has happened to the plan? What has happened to the plan? Areas like Hogan's Pond are supposed to be summer cabin areas, yet the ponds are all becoming ruined because home after home is being permitted to be built on it, and now, sub-divisions on it.

If the Government and the St. John's Metropolitan Board are going to permit sub-divisions everywhere, all through the St. John's Metropolitan Area, using sewage treatment plants and wells, why develop a new town near Mount Pearl? Why develop all these other areas, if there is going to be room for twenty-five thousand houses in the next five or ten years? The whole thing is senseless, at cross purposes. This St. John's Metropolitan Area Board is losing its reason for being. At least, when the St. John's City Council controlled building in the St. John's Metropolitan Area, they had standards. They were a lot stricter. They imposed controls. The St. John's Metropolitan Board is not doing that.

Here is a board, appointed by the Government, the Chairman is paid by the Government, all the members receive so much money for every meeting, costing the taxpayers \$150 thousand, in a good position to impose controls because they are not elected and do not have to go back to be reelected; letting all these things

pass by or pass. Where is the land use policy in the St. John's Metropolitan Area?

The Minister of Health tabled a report here several weeks ago. One pond in the metropolitan area, not fit for swimming, that is Octagon Pond, presumably ruined by the steel plant next to it. All the other ponds not fit for drinking. All the ponds in the St. John's City Limits, not fit for swimming or drinking. It will only be another three or four years of this, when there will not be a pond in the St. John's Metropolitan Area fit for swimming, because the water is becoming worse in all of those, year by year. I say that the St. John's Metropolitan Area Board is becoming a lamentable (as I said) flop.

Another point; the St. John's Metropolitan Board is now governing the Blackhead Road. The Blackhead Road Area comes within its jurisdiction. At some point, Mr. Chairman, the Blackhead Road Urban Renewal Area has to become a municipality of its own or be taken over by someone else. We cannot go on forever having the St. John's Metropolitan Area Board in direct control of the Blackhead Road Area. What is the Government's plan on that? Is the Government planning to make Blackhead Road a separate municipality, or are they planning to just leave it under the St. John's Metropolitan Area Board? Are they going to be taxed locally, in the Blackhead Road Area, to support the local services they have up there, or are they not to be taxed? What is the position on that? What is the Government's policy on land use?

With the Newfoundland and Labrador Housing Corporation going ahead, it is going to develop a new town. The Government is going ahead, they are going to develop water and sewerage all through Conception Bay. Are they going to encourage, right throughout the St. John's Metropolitan Area, small sub-divisions of twenty or thirty homes with sewage treatment plants? We have had one experience with

Wedgewood Park. That was allowed to go ahead with a sewage treatment plant of its own, and the kind of mess it got into! Luckily the people have now done something about it. Is there going to be a land use policy for the St. John's Metropolitan Area or not? Is the St. John's Metropolitan Area Board going to carry out its functions with more control or not? These are the questions I raise, Mr. Chairman, because, if they do not, then we are not justified in giving them \$150 thousand.

MR. SPALLWOOD: Mr. Chairman, I have to reply to just one point, in connection with the Southside Hill - the Blackhead Road Area: The Metropolitan Corporation, the Metropolitan Commission are governing it now, and some \$60 thousand of the \$160 thousand in the estimates are for expenses in providing some services on the Blackhead Road Area, lighting and so on. We intend to continue the governing of the Blackhead Area in this same manner, until we have a clear indication, from the people there, of their desire for another system.

MR. HICKEY: Mr. Chairman, I have a couple of questions on this item. If it is the Metropolitan Area Board that governs or takes care of the Blackhead Road Area as well as it does certain other areas, then I would suggest Sir, that all of the money that has gone into this development on the Blackhead Road is for nothing. It would appear to me, and I certainly have to agree with my hon. friend the member for St. John's West, it seems to me that the purpose for the existence of the Metropolitan Area Board is questionable at this point.

It seems that, or least it is my understanding that the whole idea, when the board was set up, was to protect, supervise and control building and everything else that went on in the fringe areas of the city. It was also my understanding, Mr. Chairman, that the City of St. John's required a permit or had to abide by the decisions of the Metropolitan Area Board insofar as what went on in their territory. It is interesting to note, however, that part of this vote is spent for cleaning up our countryside. When we read the "ads." in the papers

from time to time, hauling away car wrecks and the general cleaning up of the area. At the same time, Mr. Chairman, the St. John's Municipal Council can throw their garbage all over the place. They can do just as they please and we hear nothing about that. We see very little done by the Metropolitan Area Board in this connection.

It would appear that this board is caught in some kind of squeeze between the Provincial Government on the one hand, of which they are a creature or a child, and the Municipal Council on the other. It is questionable as to whether those people really know what they are to do at this particular point in their development.

On a number of occasions, Mr. Chairman, I brought to the attention of the House the fact that, in my opinion, there was not enough teeth in the regulations under which this board operated. If it were to continue to operate, then at least there should be some changes made. There should be some basis for their existence, in terms of preventing people from building. The question arises now, Mr. Chairman, with regards to the refusal of permits by the Metropolitan Area Board. Can we assume that the people in question, who were refused permits, may go and build their homes, and defy the law, as people in certain industries have been advised to do in recent days?

When some of my constituents are refused permits now, may I tell them to go ahead and build their homes? Will the Provincial Government back them up, when they break the law in this particular area? They can break the regulations with regards to the salmon fishery. This is an election year, Mr. Chairman, and it is debatable as to how many laws one can break. You might break all the statutes for that matter, and get away with it. It all makes for confusion, insofar as the public are concerned.

Another really important question; why the St. John's Metropolitan Board are asked to control certain areas on the one hand and ignore certain areas on the other hand? This matter, Mr. Chairman, has been brought to the attention of the House on numerous occasions,

MR. HICKEY: Communities where there is no level of authority,

the St. John's Area Board, now apparently by pass them, building can go on unchecked. This day, when we are so conscious of pollution, there is apparently no regard for the threat of pollution in those areas. Houses may be built and wells may be dug beneath septic tanks. There are no regulations, there are no required sizes of building lots. In essence, Mr. Chairman, there is no control. And, yet, a mile, a-half a mile or a quarter of a mile or for that matter two hundred yards, a person can find himself refused a permit for four acres, to build a house on four acres of land, or three acres of land. I suppose we are to assume that all of this makes good sense. Mr. Chairman, I can only say what I have said on a number of occasions, each and every year that I have sat in this House, this is so stupid, it is not even funny. It is too stupid to even talk about.

Mr. Chairman, I am wondering why the increase in the vote this year, to some \$35,000, I believe it is \$35,000. An increase of \$35,000.

MR. SMALLWOOD: Mr. Chairman, I will ask the hon. gentleman to slow down a little in his speaking, it is hard to keep up with him.

MR. HICKEY: Is that right?

MR. SMALLWOOD: Slow down a little, do not talk so fast. Just take it easy.

MR. HICKEY: I will speak, Mr. Chairman, as I feel like it.

MR. SMALLWOOD: I know, but just to please us, speak a little slower, please!

MR. HICKEY: Would the hon. the Premier like for me to repeat myself a-half a dozen times, as he does.

MR. SMALLWOOD: Yes, please, so we will understand him.

MR. HICKEY: Would he like me to pick up speed that way?

MR. SMALLWOOD: No, no, not speed, just slow down.

MR. HICKEY: A funny thing, Mr. Chairman, you know how bored some persons can get when they are listening to a bit of sense, when they are not listening to a bunch of nonsense. Someone up singing their praises. I will sing the Premier's praises when he deserves to be praised, and only

MR. HICKEY: then. There is no praise coming on this particular issue. If he does not like the way I speak, that is tough.

MR. SMALLWOOD: I like it, but just slow down a little.

MR. HICKEY: I might ask the Premier the same thing, if a few of his colleagues over there, if they would just use common manners and listen, instead of looking at pictures and reading books and newspapers and everything else.

MR. SMALLWOOD: Please do not put so much animation in the voice, it sounds too impassionate.

MR. HICKEY: I hope the press picks that up, when they are conscious of so many things, that go on in the House.

Now, Mr. Chairman, it is fine for the Premier to poke fun, to get off with his witty remarks again, as usual. He has been making a habit of that in this session. But it will not change the fact, Mr. Chairman, that the issue we are debating is an important one. We are not going to be goaded into forgetting the subject we are on, just because it is a little bit of fun. How funny will it be, I wonder, if one of my constituents decides to build a home tomorrow or the next day on a piece of land that he has been turned down by the St. John's Metropolitan Board? How funny will that be?

MR. SMALLWOOD: St. Barbe's South has not spoken yet. I hope we will be able to get his contribution.

MR. HICKEY: Or how funny will it be when 200 or 300 of my constituents are charged in court for breaches of the salmon net regulations? Will that be very funny? I realize, Mr. Chairman, I am sorry, I realize I am not on the subject. This must be pleasant to some peoples ears. The important thing, Mr. Chairman, is that points have been made by members on this side of the House, while they might appear to fall on deaf ears, while all the fun could be poked at us, the record is there. It is there for anyone to read. Let it never be said that it has not been brought to the attention of the Government. The Government this year, Mr. Chairman, will do just as

MR. HICKEY: they please. The only changes that will be made in the Metropolitan Area Board or anything else this year, will depend on what is politically expedient, because this is an election year. It is in this connection that I ask: if our people who are refused permits, may they build their home, seeing we are so generous and seeing we have such disregard and contempt for the law has been demonstrated here last week.

MR. CROSBIE: Mr. Chairman, before the item carries, the whole question of land use and the St. John's Metropolitan Area Board is a serious question. Now the Department of Municipal Affairs has not a minister, and it even has not got an Acting Minister, it has got somebody who is in this House here, the hon. the Premier, reading magazines, refusing to give information, trying to make jocular remarks, surrounded by officials of the department, He is obtaining no information from them on which to answer questions. He is treating this House in a contemptuous manner. If the Department has an Acting Minister, surely then he should be providing some information to this House on the estimates. The Government has asked for \$500 million this year, and we are considering now the share of it that is voted to Municipal Affairs and Housing. We are raising important questions about how the money is being spent. The \$150,000 for the St. John's Metropolitan Area Board is being wasted, if it is going to continue on as it is carrying on now. Is the minister going to do anything about that? Is the minister going to have them in to discuss with them the question of land use in the St. John's Metropolitan Area? What is this tripe and nonsense going on with Oliver's Pond, where the Minister of Health says that he is holding up permits, although he is advised by his officials, on health grounds it is all right to grant them? In other words, he is using his power for the wrong purpose. The result may be desirable, but what the Minister of Health is doing is a function really of the Department of Municipal Affairs and the St. John's Metropolitan Area Board.

What about the questions that have been raised now? The Premier will not answer them. Where is the planning involved, when there is a new town going into an area, for 15,000 people, and all the the rest of the

MR. PICKFY: public funds, tens of millions of dollars to be spent on that new town and up in Conception Bay South and, at the same time, no control over building in the St. John's Metropolitan Area? Funds of both the Government of Newfoundland and the Government of Canada! What is the point of developing new towns with serviced areas and the rest of it, if we are going to allow in the same area subdivisions and buildings along all the main roads? Everything that is warned against and frowned on by the planners is going to be permitted to continue. The St. John's Metropolitan Area was far better off when the St. John's City Council administered it, than it is today. No attempt made to justify the \$150,000 that is being spent by the St. John's Metropolitan Area Board. The regulations are broken every day, if somebody feels like breaking them, their board feels like exercising its discretion to have them broken. There is a suggestion that the St. John's Metropolitan Board should take over the whole area right up to Seal Cove. That is one of the suggestions being made. Another suggestion is that there should be one municipality for the whole Conception Bay South area, and studies being done for water and sewerage done for that whole area. When the issues are raised in this House the Minister in charge, who is suppose to be in charge, the Acting Minister, will not make a statement on it, give an opinion or advanced the views of his department or give any details, just sit there jeering at the time that is being wasted and it is obstruction and why does not this member speak and that member.

MR. CHAIRMAN: Order, please. I think the hon. member for St. John's West has to direct himself to the item, not

MR. CROSBIE: Yes, my item is the St. John's Metropolitan Area Board, and the problems we have raised in connection with it and the complete failure of the hon. the Premier to say anything on those subjects. There is now a temporary Chairman for the St. John's Metropolitan Area Board. There has been a temporary Chairman now for, I do not know, since Mr. Leo Stead resigned about a year ago. How long are we to have a temporary Chairman for the St. John's Metropolitan Area Board? Who is it being saved for?

MR. CROSBIE: Who is going to use that post? Mr. Philpott, who is now the temporary Chairman. Why is he remaining a temporary Chairman? Why cannot the Government make an appointment, as Chairman of the St. John's Metropolitan Area Board? The salary used to be \$10,000 a year and it can be increased. Is it being saved for somebody? Why is the Board being allowed to drift along? Has there any thought been given to the future form of Metropolitan Government of St. John's Area? Are we going to have an appointed Metropolitan Area Board forever, or will there eventually be an elected Metropolitan Area Council, on which St. John's will be represented and other municipalities in the area, like Logy Bay and Wedgewood Park? Is any thinking being given to these problems?

At the time the estimates are presented to the House, Mr. Chairman, is when these questions are supposed to be discussed and the Government's future plans outlined. Have the Government got any future plans for the St. John's Metropolitan Area Board? Or is the minister going to sit there all day reading magazines or pretending to and sneering when anybody raises any of these important issues?

On motion item carried.

MR. CROSBIE: "Nay." In fact, Mr. Chairman, I move that the vote be reduced from \$150,000 to \$50,000. \$50,000 is enough for the Metropolitan Area Board to have. The minister has not shown that they are using the money to any advantage whatsoever.

MR. HICKEY: Mr. Chairman, I would like to say a few words in support of the motion made by the hon. gentleman. One of the reasons is not with regards to any of the people who work in the St. John's Metropolitan Area Board, but rather the contempt on the part of the Premier who just sits down and ignores important questions

MR. CHAIRMAN: Order, please.

MR. HICKEY: Mr. Chairman, am I not in order to discuss this?

MR. CHAIRMAN: It is not in order for a member to rise - a member may rise and speak to the item before the Committee, but a member may not comment

MR. CHAIRMAN: upon whether or not another speaks or carry on at length about another member not speaking. A member speaks himself, and what another member does is really not up to him to comment on.

MR. CROSSIE: On a point of order, Mr. Chairman, we are dealing now with the estimates of the Department of Municipal Affairs, The Premier is the Acting Minister, Surely we can comment on the fact that he will not give the House any information on his estimates nor on future plans in connection with the Department. Now that is what this amendment is about. Because the Premier will not give us any information or answer the points we are making, we are moving that his vote be reduced by \$100,000. It is quite legitimate to discuss that.

MR. HICKEY: My remarks, Mr. Chairman, were directed to the lack of information. This is why I am supporting this motion. I am supporting the motion because of the contempt on the part of the Premier, who just sits down, pokes fun, makes fun, discusses how I am speaking, whether he likes the way I am speaking or not. If he does not like the way I am speaking, why does he not go out of the House?

MR. CHAIRMAN: Order, please. I do not think now that the hon. member is in order.

MR. HICKEY: Mr. Chairman, may I just point out, and may I say that I am finished speaking to this motion and now I speak to a point of order. Might I just point out to the Chairman. that if the Premier can sit there and poke fun at me, without being called to order by the Chairman, why should I be called to order? Are we going to tolerate this? Are we going to have another sample of rules for one side of the House?

MR. CHAIRMAN: Order, please! The hon. member is now speaking, he should direct himself to the item. The amendment is that item 04 be reduced to the sum of \$50,000. Those in favour -

MR. MARSHALL: Mr. Chairman, on the amendment, this is a vote of \$150,000 for the Metropolitan Area Board that has been moved to be reduced to \$50,000. I cannot see why the information that we have requested has not

MR. MARSHALL: been given. The fact of the matter is, as has been pointed out, the St. John's Metropolitan Board has apparently miserably failed in its task to control building, in a proper manner, and to control health sanitation out in the outlying areas of the municipal boundaries. Now, I feel that it would be probably much better, rather than appoint the individuals who had failed in the past few years to bring about a proper scheme of development, an overall scheme of development, It is one thing to have a scheme of development for the outside of St. John's or inside St. John's or anywhere, but it is another thing to enforce it properly and to give proper permits. But, I feel, quite frankly, that it would be better, this Board would be better served if it were comprised of certain representatives of various city councils around the area, in the area of the Metropolitan Board, not necessarily the elected members but some of their officials, as such, that they would do a much, much better job than this Board has itself done

Now we see the results of what has happened outside of St. John's, how can we vote on this amount of \$150,000. We have no alternative but to vote for a reduction, unless we know what the \$150,000 is being used for. We see an increase of \$35,000 provided here in the vote requested. We are given no information as to the amount, the division of this amongst the Board members, how much the members of the Board get, how much is used for the employees indeed, what employees there are, what positions they hold, what functions they exercise, what their terms of reference are, how they are carrying out their terms of reference and all the other aspects of this matter, which ought to be laid before this House before we can vote on it properly. The Metropolitan Area Board has failed. It is improper to come before this House and ask for \$150,000, I feel, certainly in the rules of this House. But, improper if the hon. the Premier cannot acquit his duties properly. Perhaps, he ought to, actually, perhaps he ought to appoint another permanent minister of Municipal Affairs, who can give us the answer to this question. This is all we are asking, \$150,000 of the public money is not much to this Government we know from our previous experience. All the

MR. MARSHALL: Opposition here is asking is what the \$150,000 is being used for? Why has not the Board operated properly before? Why is there not a permanent Chairman instead of a temporary Chairman? I heartily support the motion to reduce it to \$50,000, because there is no other alternative. There is no alternative, we are being given no answers and we are being treated in the same way, on this particular vote, as we have been treated since this session started.

MR. MURPHY: Mr. Chairman, I feel the same way as the mover of the motion, and the hon. member of St. John's West feel. Possibly we might go tonight to the Press Club, where I understand the Premier is having a question and answer period, and bring our estimates with us there. We might get some answers then, politically.

But here we are with this Board, where we are voting \$150,000, as has been pointed out, and it is useless repetition to say it, where we have had no permanent Chairman for over one year. We feel this is a political plum for someone who will be put into this position. They have a job to do. I would rather see, quite frankly, this \$150,000 and ask the St. John's Municipal Council and the Mount Pearl Council, whom I think could deal with this thing, and I think they would do a far more effective job than this political arm we have here, this Metropolitan Board. When we come here, Sir, I am just wondering how the people in this House feels with an Acting Minister. He is only acting I know, and possibly he should not be as serious as a real minister should, but continuously reading newspapers, and a question is asked he reaches back and says; "have you got a copy of the estimates there" and then he decides to look up an item we are discussing. Mr. Chairman, quite frankly, you know, I may be a bit irrelevant but, after all, we are here to do business, we are voting \$20,000 for this department. If we cannot get some answers, well you just keep on prodding until you do get answers, and you can hear; "well, there was obstruction again yesterday. They spoke at length. They spoke continuously." Well, perhaps, you could

MR. MURPHY: speak for three years, here in this House, and still not get any information, and it is only ⁱⁿ utter frustration that you do stop speaking on this thing. But, as I say, with an Acting Minister who just sits there and reads Time Magazines, and he has not even got the courtesy to read a few extracts from the books for the entertainment of the members on this side.

You know, I think that is absolute contempt. I am sure that when the motion was made that this vote be reduced, I believe, I know, as a matter of fact, there are employees of this Metropolitan Commission who are doing their work, the work that is set out for them. When we suggestion that the vote be reduced, I am sure that their salaries are not a part of this. But just as a gesture on our part, to bring before the public again the actual contempt and arrogance that has been shown us, representing people the same as the other side, that we are not given any information or any answers. Just completely brushed aside, sneered at, laughed at, "Ah! The poor fellows," you know. We will hear it all tomorrow morning at 10:15 again; the way we treated this House.

MR. SMALLWOOD: Mr. Chairman, we will hear some of it right now. They are going to cut the vote to \$50,000. \$65,000, I said \$60,000, actually it is \$65,000 of the vote is for lighting, garbage collection and snow clearing on the Southside, so there will be no money for that. Carry the vote now. Cut it to \$50,000, and we will cut out lighting, garbage collection and snow clearing on the Brow.

MR. MURPHY: Where is the other \$90,000 now, then we will all be happy.

MR. NOLAN: Mr. Chairman, I would certainly not propose any suggestion along this line, based on what the hon. the Premier has said, because I know the service that is being provided by the Metropolitan Board in that area. The hon. the member for St. John's West, Mr. Chairman, is also very much aware of the fact that, in the appointment of the Metropolitan Board, there are a number of people there representing the City of St. John's. They are not

MR. NOLAN: selected by the Government, They are appointed by the Lieutenant Governor, it is true, but they are, as the former minister, onetime Minister of Municipal Affairs and the present member for St. John's West knows, selected by the Council to represent the City of St. John's on the Metro Board. Also, it is interesting to note in the composition of the Metropolitan Board that there is a representative from the Town of Mount Pearl. I believe, Mr. Kel Ashford, is the representative there.

The Metro Board was doing a good job, I submit, when the hon. the member opposite was minister. I know that he did his best to improve the situation. I think it is most unfair for him to suggest or anyone to suggest at this time that because he is not presently minister that the Board has diminished in its effectiveness in the Metropolitan Area, which has enlarged tremendously their responsibilities within recent years. But, to any attempt to reduce this vote and to penalize the number of people who are presently receiving service, as a result, I am heartedly opposed, Mr. Chairman.

MR. CROSBIE: You hear a lot of nonsense here. Now we have been discussing this vote, St. John's Metropolitan Area Board, for I do not know, it must be a-half hour or forty minutes. We just heard the first explanation of any part of the use of the \$150,000. The Premier now says, because he hope it will have a certain chief political effect, that \$65,000 of that vote is for certain services over on the Blackhead Road. Well, if they do not get that service from this vote, there is lots of other fat in these estimates where they can get that \$65,000. I will show you where it is when we get down to Emergency Assistance. So that has got nothing to do with this vote. This amendment is to show, Mr. Chairman, that \$150,000 is being asked for by the Government for the St. John's Metropolitan Area Board, without a word of explanation until now, on how it is to be spent, without a word of explanation on such public issues as Oliver's Pond. Are the Government and that Board going to permit, for example, Oliver's Pond Development to go on or not? That has been a public issue for a year and a-half, without a word said about the land use problem in the St. John's

MR. CROSBIE: Metropolitan Area, the tens of millions that have been spent in the new town of Mount Pearl and in Conception Bay South, how that relates to the lack of building control in the St. John's Metropolitan Area. Without a word being said as to when a permanent Chairman is going to be appointed. We know that there are three members of that Commission, two are appointed by the City Council or suggested, one by the Town of Mount Pearl and I think it is five or six others appointed by the Government. The majority appointed by the Government. Nobody has said, I have not said it was a better Board when I was minister or anyone else was minister. It is not much the minister can do about it, it is the Board that have to decide these issues. That is not the point.

The point is that it appears that the Board is not performing its original function, which was to get some control over what was happening in St. John's Metropolitan Area, from the point of view of building. That is what it was appointed

MR. CROSBIE: to do but it is not doing it. You can drive out any road from the City of St. John's now and see ribbon development on every one of them. Any of the planners will tell you it should not be permitted. Going up every day, permits every day, subdivisions being started by ponds, summer cottage areas. Permits being given for summer cottages that are all-around homes. How many \$100,000 summer cottages has anybody ever seen, and all the rest of it?

It is ineffective control of the St. John's Metropolitan area, and the Premier does not want to discuss these issues or give any information on them or say what the Government's policy is on them. Oliver's Pond is blocked by the Minister of Health, the right decision for the wrong reasons, not on health reasons. It should be land-use reasons, Luckily he has got it blocked but the thing is only held in abeyance. When we discuss these issues or raise them in the House we are treated contemptibly with contempt and contemptibly, and that is why we move to have this reduced. People on the Blackhead Road never fear - if this vote is cut down to \$50 thousand, you can get your \$65 thousand from the next vote called "Emergency Assistance" where there is a slush fund of \$350 thousand that can be used by the Minister anyway he likes, as I will show when we get to that item. So I say to the people on the Blackhead Road, "your prerequisites, your money is not in danger, if you do not get it under this vote, you will get it under the next one, do not be bluffed."

On motion, amendment lost.

MR. CROSBIE: With regard to O5, Mr. Chairman, this is called Emergency Assistance \$350 thousand, well the Emergency Assistance, Mr. Chairman, is political emergencies, that is what. I do not care if it is the same. I am talking about what it actually is now - political emergencies not emergency assistance.

There was a question asked here, question 253, on March 29, 1971, by the Leader of the Opposition, asking about the grants that were made from the Emergency Assistance Vote in 1969-70 and 1970-71, now a year ago, Mr. Chairman, This vote was split in two. The Water and Sewerage Systems Vote used to be up with Emergency Assistance and the Emergency Assistance Vote used to be

MR. CROSSBIE: a lot larger, but it is \$350 thousand now and Water and Sewerage is down below. The answer file shows all the grants that were made in 1969-70, and 1970-71. The Department was asked in the question: "Does the Department make any check to see that the money is actually used for the purpose stipulated?" The answer was; "the Department does not in each instance check to see if the money is actually used for the purpose stipulated but such matters are brought to the attention of the Department by the Auditor General, during his annual audit of the accounts of the municipalities." That is hardly good enough, but they are too short handed to do that.

Look at some of the Emergency Assistance Grants for last year. This is a vote, Mr. Chairman, where there are no principles governing its expenditure. It is not spent under any formula. It is spent in accordance with where the political need is greatest or what member is most after the Minister or whether it is the Premier wants money spent somewhere. This is how this vote is spent. There are no general principles that govern this. Just look at last year. Arnold's Cove got \$2,928.00, Admiral's Beach - \$4,800, Badger's Quay - \$1,000, Bay Roberts, this is unusual Bay Roberts - \$27,100, Bay Roberts got last year from the Emergency Assistance Grants, why? Obviously because the member, who represented that district, was also the Minister, so Bay Roberts got a gift of \$27,100; \$6 thousand for roads, \$100 for dump site, \$10 thousand for public improvements and \$11 thousand for municipal services - \$27,100. The largest amount spent out of this vote last year went to the Town of Bay Roberts - \$27,100. Bishop Falls got \$2 thousand, that is all Bishop Falls got. Bishop Falls is at least as large as Bay Roberts. Bay Roberts - \$27,100, Bishop Falls - \$2 thousand, Bonavista - \$3 thousand, Brigus - \$3 thousand, Burgeo got \$10 thousand for playground and other recreational facilities, Buchans got \$764.00, Burin got \$8,500, Change Islands did not get anything last year, Centreville or Catalina, Clarke's Beach got \$1,500, Change Islands got \$7 thousand.

You see no principle at all in the spending of the money. It is a discretionary slush fund to be used by the Minister and the Government

MR. CROSBIE: as they see fit, to make gifts to municipalities. Cox's Cove last year got \$6,000 for municipal services, that is in Humber West. Deer Lake got \$15 thousand for their stadium. Fogo got \$12,560, public wells - \$17,300 and so on. Gander got \$20 thousand. The hon. member for Gander did all right, water and sewage system and roads. Grand Le Pierre got \$2 thousand, Green's Pond - \$1,000, Happy Valley did not get anything last year but it got a staggering amount in 1969-70, it got \$177 thousand in 1969-70 Happy Valley did. \$147 thousand for water and sewerage. There is not another subsidy for water and sewerage equal to that in this Province - \$147 thousand in 1969-70 and \$30 thousand for roads, one municipality out of this vote got \$177 thousand and so the figures all vary here. LaScie last year got \$25.86, that is what La Scie got while Bay Roberts got \$27 thousand. The hon. minister had to work for that \$25.86 he said, but he did not work as hard as the member for Port de Grave worked and, since the member for Port de Grave controlled the money, Bay Roberts got \$27 thousand. Isle Aux Morts got \$1,000. I must say that is a real knock - La Scie \$25.86. Little Catalina got \$302.25. Lush's Bite got \$750 and so on. Pasadina got \$20 thousand. You see there is no rhyme nor reason, Mr. Chairman, to the vote. St. Anthony - \$12,500, Rocky Harbour - \$1,000. Sally's Cove - \$500, that is in the hon. member for St. Barbe South's district.

So you look at all these grants Wabana - \$25 thousand, not bad for Wabana. Municipal Services - \$20 thousand and equipment \$5 thousand. Over there they need more of course because they have had a shut-down of the mines.

Woody Point got \$2 thousand or about \$3,800, Windsor got \$400 and so on.

So Mr. Chairman, this is a vote that is completely at the discretion of the Government and at the discretion of the Minister. If our previous vote had knocked down the grant of the St. John's Metropolitan Area Board, all the Minister would have to do was give them the money from the Emergency Assistance Vote, because this is the Emergency Political Assistance Vote and that is what that will be used for this year. So we should be quite clear what we are voting when we vote this. Do not worry about our votes on the last amendment, There is \$350 thousand extra here to be used by the Government

MR. CROSBIE: for whatever they want to use if for.

MR. SMALLWOOD (J.R.): Mr. Chairman, there used to be a programme under which we met half the cost of paving of streets in municipalities, that is to say streets for which the Government were not responsible but for which the municipality was responsible. We offered to meet half the cost of the paving of streets in municipalities, streets for which the municipalities and not the Government were responsible.

Quite a number of communities took us up on that offer and we kept it going for a number of years and then discontinued the offer and we have not made this offer for the last two years or perhaps more.

Now this amount is to cover outstanding bills due under that offer. It is to liquidate the amounts due, from the Government to the councils with whom we made the deal.

MR. COLLINS: Mr. Chairman, from what the Premier is saying, that does not mean that there is going to be \$890 thousand spent this year. It is for work done prior to 1968.

MR. SMALLWOOD: That is right. Yes.

MR. EARLE: Mr. Chairman, if what the Premier says is correct, I would like to ask a question. The paving grants in my particular district, they have so far not one single inch of pavement of any kind, shape or description, the whole district has absolutely no paving whatsoever.

In 1966, Liberal Manifesto there was a plan drawn which showed a great lot of paving all over the place, in different settlements and so on. Now, at the Economic Conference, it was announced that one settlement in my district gets pavement - one mile of pavement out of the whole district, this is to be the allocation, apparently, for this year. If this is granted to pave or to pay for past commitments, under what grant is the pavement that is going to be done, that was promised at the Economic Conference, where is that coming from?

MR. SMALLWOOD: Highways and DREF.

MR. HICKMAN: Mr. Chairman, now that we are clear that this vote of \$895 thousand does not mean a square inch of pavement but rather to pay for work that has been done, I suggest to the Committee that the abandonment of this vote has

MR. HICKMAN: caused more anguish amongst the municipalities than any one single policy decision of this Government.

A fair number of the municipalities throughout the Province, when once the fifty-fifty cost-sharing programme was announced, decided to work to meet the formula that had been laid down and placed themselves in a position where they had the borrowing capacity to implement this programme. What it meant was this; that the municipalities that had the strongest tax base or owed the least money could avail of the programme when it was announced and they in fact did do that. But other municipalities, who had other priorities that they had to meet or alternatively could not make the necessary financial arrangements at the time, decided to delay their programme and to avail of it at a later date. Now they find that they cannot do it.

If you go into any municipality in Newfoundland today, where they have the same dirt road that they have had for the last thirty years, but where you find the traffic count is increasing very, very rapidly every year, where you find heavy equipment moving through the town, where you find that people no longer paint their houses with any degree of satisfaction, and you ask them today, ask the voter of Newfoundland today, what he would like to see contained in the vote for the Department of Municipal Affairs and Housing, and he will tell you, without any hesitancy, that he wants a restoration now of that paving programme and that cost-sharing programme.

I know towns that actually had completed the survey to take advantage of this paving programme and suddenly it was unilaterally cut off and they are no further ahead now than they were ten years before. This Mr. Chairman, 1971, is not a revolutionary plea, it is not the sort of thing that calls for a great new North American policy, in a North American concept in looking after our municipalities. It simply means that Newfoundlanders today, living in incorporated areas, are asking for something that their fellow Canadians have been enjoying for the last thirty or forty years and they believe that they are entitled to enjoy now. I implore Government, and I implore the hon. the Minister, to take another look. When you talk about votes for Metropolitan

MR. HICKMAN: Area Boards and a dozen other of these votes, they all might be quite important and I have no doubt that the officials can justify them all but I would like to hear of a programme that ranks ahead of the demands of the people throughout Newfoundland, today, in municipalities, to have their streets paved.

MR. SMALLWOOD (J.R.): I can tell the hon. member, water and sewerage.

MR. HICKMAN: I am talking about primarily and I would hope, obviously - that is not an answer, Mr. Chairman, water and sewerage, What about all the municipalities in Newfoundland today that have their water and sewerage and have had it for years and have the financial resources now available and the borrowing capacity that they have built up over the years to meet this programme and suddenly found that they could not get it. Go and ask them. Go and ask them why they cannot paint their houses. Go and ask them why they cannot open their windows in the summer. Listen to all the petitions that come into this House every year. They are choked with dust every summer. Listen to the delegations that come to this Confederation Building. This was a great programme three or four years ago, a great, great programme, but the greatness has gone out of it as far as the Government is concerned.

It was in vogue in 1966, of that I am sure. I do not know how long it was in before.

MR. SMALLWOOD: 1963.

MR. MURPHY: 1962

MR. SMALLWOOD: 1963.

MR. HICKMAN: It does not make any difference when it came into vogue.

The relevant question is when was it taken out of vogue. It was stopped in 1968 under the guise of tight money. But this is not a year of tight money.

The hon. Minister does not like to hear it. Well talk to his constituents and ask them if they want the roads paved and the streets paved. Just ask them!

MR. SMALLWOOD: Ask them if they want water and sewerage.

MR. HICKMAN: Of course they want paving. It is not a luxury item anymore. It is not a luxury item. These municipalities have placed themselves in a

MR. HICKMAN: position, as the hon. former Minister knows, have placed themselves in a position where they now can borrow the money to meet their share of the paving. This is what they want to do. I say, Mr. Chairman, that on the list of priorities, the Department of Municipal Affairs has three main thrusts - one is the provision of housing, another is the provision of water and sewerage in municipalities where it no longer exists or where DREE will not provide it, and number three, and they are not in order of importance because they rank equally, is the paving of streets in municipalities. They are carrying traffic loads now that are far in excess of what they ever were designed to carry, or what they anticipated at the time these town became municipal bodies and municipal organizations.

The answer, saying they want to have water and sewerage rather than paving is not an answer at all. To think that in 1971, when we are talking about a budget in excess of \$300 million, that we have to make a choice between two non-luxury items, water and sewerage or paving. That is certainly not careful planning, it is not planning at all. Mr. Chairman, this is a programme that in my opinion, now the tight money has disappeared, should be restored and restored now.

MR. SMALLWOOD: Mr. Chairman, if the Minister would allow me, we have applications in now for over \$20 million worth of street paving, over \$20 million. Instead of that we are concentrating now on water and sewerage and we are going to spend over \$20 million this year, \$23 million.

MR. HICKMAN: DREE.

MR. SMALLWOOD: Well, never mind where it comes from. We are going to spend it. We are going to spend \$23 million this year on water and sewerage, instead of on street paving within municipalities.

The sharing of the cost of paving in municipalities, this was brought in in the year 1963, and it was carried out in 1963-64-65-66-67-68, five years, we did it for five years running and we spent about \$12 million on it. That was the Newfoundland Government's share - \$12 million.

Now we have not done it since 1968. We did not do it in 1969-70 and we are not doing it this year. So this will make three years running when we

MR. SMALLWOOD: are not sharing with the town councils in the cost of paving their streets. This is the third year running, but instead we are leaning now very heavily on helping to provide water and sewer systems in the Province.

Now do not ask me to decide which is the more important in a town, to have a water and sewer system or to have their local streets paved. Do not ask me. I do not know. I would suspect that what people would prefer, if they have neither, would be to have the water and sewerage first, and then, having got it, doubtless they would want their streets to be paved.

But Sir, if you have towns with water and sewerage and you have towns with neither water and sewerage nor paving, what would you spend your money on first, paving the streets of towns that have water and sewerage or providing water and sewerage for towns that have neither, which would you do first? This Government decided we would do the water and sewerage. We are right. Of course, we are right.

MR. COLLINS: Municipalities are still being led down the garden path and believing that funds from DREE are yet to be provided this year for water and sewerage. Is the Premier now saying that DREE people are not approving anything for pavement or is it that this Government is not approving anything for pavement? In other words, no DREE funds for paving this year.

MR. SMALLWOOD: No I did not say that.

MR. COLLINS: Let us hear it again, Mr. Chairman.

MR. SMALLWOOD: I will say it again, Maybe I can explain something to the hon. gentleman, but only the good God in Heaven can give him the brains to understand it when I do explain it. Well I will explain it.

DREE does not give money for street paving. DREE gives money for paving but not for municipal paving. Not that there might not be an occasional exception, but the rule is that they do not give money for paving of town streets; road paving, yes.

MR. COLLINS: Mr. Chairman, every municipality in Newfoundland has been led to believe that all they had to do was come up with plans and specifications for up-grading streets, for paving streets, for water and sewer programmes, and schools and a few other things which go to make up infrastructure.

MR. COLLINS: This big Federal word which has caught on in this House pretty well too.

What the Premier is saying now, that the Provincial Government in the process said; "the hell with the municipalities, we are going to decide where the money is going to be spent and none of it this year is going into road improvement."

MR. SMALLWOOD: It is the member who is saying that. We are not saying it.

MR. ROWE (F.W.): Mr. Chairman, there is one point I want to make, actually the Premier has covered most of it. The impression has been given on the other side of the House that the Government introduced a shared-cost paving programme with municipalities out of a blue sky and then, suddenly, without any warning at all, after one hon. gentleman said, two years, pulled the rug out, Mr. Chairman, that is not true. That is absolutely untrue. I am telling you this and I am the man who introduced it in this House. I was Minister of Highways at the time.

I remember it so well. I repeated it before, how it came into being. It came into being when a delegation from the Town of Windsor, from a district with which I had no political connections at that time. I was a member for White Bay South. Does my hon. friend want to hear it or not now? Do you want to hear the true story? They have been expressing their indignation, now I am offering to give the facts behind it.

The facts were that the people from the Town of Windsor came into my office and they told me their problem out there. It was a very serious problem because Windsor was not only one of the largest towns in Newfoundland but it was a town which had a very poor tax base, as everybody knows. Unlike other towns, like Grand Falls and Gander and Lewisporte and so on, Windsor's tax base was a very poor one, not through any fault on the part of the Town of Windsor, but through force of circumstance. Most of the tax paying companies and individuals, for that matter, concerned in that area are within the municipality of Grand Falls. The doctors for example, who treat the people of Windsor, live in Grand Falls, for the most part, almost entirely, so do the lawyers who look after the legal needs of that area, they live in Grand Falls. A large number of the businesses and of course the great paper company itself

MR. ROWE: are in Grand Falls and so on.

They came into my office to say what a tremendous problem they had there with the mud roads in Windsor. That area is a very level, flat and partly boggy area and it was a very serious problem. We went over it, the Mayor and Councillors and I, went over this, over and over. Finally after they left, and I could give them no help at all, no promise, no assurance at all, I devised a paper and presented it to my colleagues in the Cabinet, and they accepted the recommendation. That recommendation was, and this was subsequently made public, contrary to what the hon. member for Gander says; that we would introduce for a five year period, a cost sharing programme, and it was a very simple formula, the formula was that the Town itself would do its paving and would do its financing, and the Government in return - actually it is very similar to the present recreational programme, almost identical with the formula, and the Government would undertake to pay

half the cost of the approved paving programme, with installments to be paid in five equal annual payments. That was the programme.

MR. HICKMAN: There was not a time limit of five years, it was a five year pay-

MR. ROWE: It was a five year programme as we indicated at the time, we indicated at the time that this programme was a five year programme. It did last for five years. It started in '63 and, incidentally, the first community in Newfoundland to take advantage of that formula was not the town of Windsor, Windsor was the second. The first one was the town of Bay Roberts. The town of Bay Roberts, when we announced that formula, within a week the Mayor of Roberts and his councillors were in my office and in the office of my colleague the then minister of Municipal Affairs, they negotiated a treaty a few days ahead of the agreement between the Government and the town of Windsor.

Subsequently, some, I believe it was forty-eight towns in Newfoundland, towns of Lewisporte, Botwood, Sprinedale, Gander, Grand Falls, the West Coast towns towns on the Avalon Peninsula took advantage of that and paved, in most cases these larger towns paved most of their roads.

MR. COLLINS: The town of Gander paved -

MR. ROWE: In most cases they paved most of their roads. For example, the town of Windsor, under that programme, paved most of its roads. I would say about ninety per cent of the roads in the town of Windsor were paved under that programme. The same thing applies to the town of Deer Lake, same thing applies to other towns as well.

MR. HICKMAN: There was forty-eight applied, only twenty got the grants.

MR. ROWE: I would say, my recollection is, I am subject to correction on this, that there were more than twenty. But, be that as it may -

MR. SMALLWOOD: The municipality of Grand Bank spent over three quarters of a million dollars -

MR. HICKMAN: That is right.

MR. ROWE: In addition to that fifty-fifty programme we also, around about that time, undertook a programme whereby the government paid one hundred per cent of the cost of paving the main road through the municipalities. Under

that, and perhaps that is where I am getting forty-five. Under that we did pave the main road through forty-five, may be forty-six of the larger towns in Newfoundland. For example, the main road through the town of Springdale, through the town of Botwood, through the town of Gander, through the town of Port aux Basques, through the town of Lewisporte, and dozens of others, that was one hundred per cent. The net result of all that, contrary, I know that there are places in Newfoundland today, where there are large communities, you have dirt roads. I know that there are places where people are subjected to a great deal of frustration, a great deal of inconvenience. I know that. I know that I have that in my own district and every district in Newfoundland outside of St. John's has it, I suppose to some extent one way or another. But the fact of the matter is, in most of the larger towns in Newfoundland today, most of the roads, most of the streets have been paved either because of the one hundred per cent contribution made by the Government to the main road through the town. In many cases the paving of the main road solved their problem, the main road itself, because of this development that the hon. gentleman was talking about earlier this afternoon.

In many cases the main road, for example, take the town of Valleyfield, take the town of Wesleyville, take that area of Badger's Quay, the main road was practically the only road in the community and by paving the main road, at no cost to the residents at all, we solved their paving programmes there. But there are other communities, as we all know, but the fact of the matter is, that contrary to what has been given, - frankly I do not pretend - I did not come here prepared for this tonight, I do not have the figures here. I do know this, I do know this, that the majority of the large towns in Newfoundland, I think, I can say almost every town in Newfoundland, the only exception that I can think of at this moment, of the larger towns, would be the town of St. Anthony, and that is being done I think this year. The town of La Scie, and that I think is being done this year too. There may be several others. I am talking about the main road now, the main road. In the vast majority of cases in Newfoundland, under

that our paving programme, the main road was paved at no cost at all to the residents of that community, no direct cost. In the vast majority of the larger towns most of their roads were paved on the fifty-fifty basis. There are still some exceptions and these are the ones my hon. friend is talking about. These, I have no doubt at all, will be solved in time.

MR. CROSBIE: Mr. Chairman, the point is that the Government is discriminating against the communities who did not have projects accepted before this programme was discontinued. Why should the municipalities that were in existence between 1963 and 1968 be favoured with this programme and the ones that had time to get applications in be favoured by this programme and that any municipality formed after 1968 when the programme was discontinued does not get this assistance? That is neither fair nor equitable. If the government has the hundreds of millions of dollars it pretends it has, as it pretended at the great disarmament conference it has hundreds of millions and billions of dollars to carry out everything conceivable, if that is the truth then why would it not reinstitute this programme? It was discontinued in 1968 for one reason only, because the government was hard up for money. There was no election on that year, so the Government frankly admitted it was hard up for money. That was the tight money period. Now the money is not tight, money is elastic, it will go anywhere this year, there is an election on. But that programme was discontinued in 1968 because there was no election on, the Government was tight for money, the Government wanted to admit it was tight for money at that time. Now it is pretending otherwise.

But if the situation is truly otherwise, why is not this street paving programme reinstated? When the programme commenced it was never said that this would be a programme for five years only. Never. It was a programme of grants over five years. The Provincial Government's fifty per cent would be paid over five years. In 1966, the Government agreed, the election was coming up, at the end of August or early September 1966 that St. John's, that the parts of St. John's that have been brought into the city, the boundaries of the city had been extended two or three years earlier,

that in those new parts of the city, the area that had come into the city a year or two earlier, that the fifty per cent street paving programme would apply to the city of St. John's. There was not a word mentioned then, in 1966, this is a programme that was going to be discontinued. I think it was December 31, 1968. Not a word. This was a programme of the Government that was going to last for time immemorial. It was never said for one moment that it would be discontinued the end of December 1968. If that had been announced in advance, every municipality in the island would have made sure that they had applications in to get the fifty per cent assistance. So what the Government is doing is discriminating against the municipalities that were not ready, up to the end of December 1968, to go into a programme like this.

The ones that were waiting had their water and sewerage done first. Or the ones who felt they had to use the money first for street lighting or garbage collection or the rest of it, the ones who waited are the ones who have been given the stab by the Government, by the discontinuance of that programme. For the Government to attempt to bluff, pretend now we are concentrating on water and sewerage instead of street paving, is nonsense. Both should be concentrated on. When the water and sewerage gets laid in, then the pavement should be laid after the pipes are put down, the sewerage pipes.

Another way in which the Government, Mr. Chairman, is bluffing the people in the municipalities of Newfoundland is in the number of studies that they are having done. An answer to question 411, asked by the member for Bonavista North, the Government was asked; since April 1, 1970, what engineering studies have been carried out for municipalities with the assistance of the Government? The list is given, a very long list of studies. This is another way to delay municipalities, to put them off, to make them think something is being done. Look at the studies paid for out of the departmental vote in that one year, April 1, 1970 to March 31, 1971.

There were studies done and paid for by the department I think. There are approximately twenty-five studies which cost the Department of Municipal Affairs, \$98,000. Studies done by Engineering Services, Limited, Kilbride; Engineering Services, Marystown; Engineering Services, Milltown; Engineering Services, Parker's Cove; Engineering Services, Red Harbour; Engineering Services, Harbour Breton; Engineering Services, Goulds; Gorman Butler, Cook's Harbour; that was fifteen studies done by Gorman Butler; Fleur-de-Lys; Grand Bank; Newfoundland Design; Lumsden; Placentia; Point May; Pamea; St. Paul's; Seal Cove; Whitbourne. Studies carried out under DREE, nine studies carried out under DREE. Bishops Falls, Port aux Choix and so on.

There is a whole series of studies paid for by municipalities, all engineering studies. There are another seven studies done by the engineering Division, Department of Municipal Affairs. This is getting to be another major occupation of the Government, Mr. Chairman, having studies done. A municipality comes in and they say they need water and sewerage or they say they need road paving or they say they need wells or they say something they are looking for, what happens? Immediately Gorman Butler or Engineering Services or some other firm is put on the job of doing the studies. Preferably come back with a report that will show the cost so prohibitive, so exorbitant, the Government will say we cannot possibly do it. This is a new technique, study technique to put off for years doing things that the Government does not want to spend money on now. Study after study after study, in some municipalities they have studies done on studies, studies done amending other studies. They have had Provincial-Government studies. They have had Municipal studies. They have had Newfoundland & Labrador Housing studies. They have had DPFE studies. They have had FRED studies. They have had ARDA studies. They have had ADA studies. If anybody got study fees, they would really do well in this Province. Stud fees.

Study after study after study, the amount paid out by the Government, under Municipal Affairs alone, in the average year, for studies, Mr. Chairman, is

at least \$150,000. In the amount spent by the Government altogether, in DRFE and the rest of them, on studies, which added up would come to at least several millions of dollars. There is a study done over on the Southside Road. There is a study done and a report put into the Government. Now the Premier is going to knock out that study and have another study done on the study, because a petition was presented to the House on that study. If they do not like the study that comes in after this study, there will be another petition and another study. Study, the great weapon of Government!

MR. SMALLWOOD: Would the hon. gentleman do away with these studies?

MR. CPOSBIE: The hon. gentleman would do studies where the Government feels that there is a serious chance of that facility going ahead. First that it is needed; second, that it can be financed; third it is a serious chance of it going ahead, have a study done. But, to have a delegation come into St. John's and just say you are going to do a study, try to keep on their good side and not excite them, not alarm them, when you know that there is no chance, for example, of an expensive water and sewerage system going in that particular community, is a waste of time. It is a bluff. It should not be done. There are too many of these kind of studies.

MR. SMALLWOOD: Mr. Chairman, that is arrant nonsense, of course.

MR. CPOSBIE: Oh, naturally. Sure! Yes!

MR. SMALLWOOD: That is piffling nonsense. Utterly piffling and unworthy of a member of this House. The fact of the matter is that the Department of Municipal Affairs would not even dream, not even dream, they would not contemplate for a moment supporting, financially supporting, any municipality in the Province with a water and sewer system, without first engaging a firm to go there and make a careful study. It is the very first thing you do. Not the last, the first thing you do, is make a study, to find out if it is practicable from an engineering point of view. If it is practicable and what is likely to come, when you get your cost, even if you are willing to pay half the cost and leave it to the community to pay for the other half, to pay their half, they have to charge so much to each household, four dollars

a month, five dollars a month, six dollars a month, eight dollars a month, ten dollars a month. You have to find out how many of the households in that community are willing to pay that amount. To do all that, before you can do that you must first make the study. How stupid would we be if we did not make these studies? How much we would lay ourselves open and very properly lay ourselves open to the charge of an almost criminal stupidity. So we make the studies. The hon. gentleman has great fun listing the people or the organizations that made studies. He almost made a dance of it. Almost put it into a refrain. Does he know one settlement, in the history of Newfoundland, that had studies made in it by all these people he mentioned? He does not because there never was such a settlement. But you could list them say; studies by the Government of Canada, by the Government of Newfoundland, municipal studies, ARDA studies, ADA studies, FRED studies, DPEE studies, that is eight. Is there a settlement that had eight studies made?

MR. CROSBIE: Yes, I say if you look, you will find them.

MR. SMALLWOOD: If the hon. gentleman looks he will find it, no doubt. No doubt he will find it. He finds, he is the most marvellous finder. He is going to get found out himself one of these days. The laugh will be on the other side of his face.

MR. HICKMAN: Mr. Chairman, these studies are not done simply for the purpose of, there are two concepts to a study, (1), you go into a municipality, you are met by a Town Council, they say we want water and sewerage. Now, not an unreasonable request in 1971. If the study is made simply for the purpose of ascertaining whether the economics will justify the installation of these public services then I say, fine, but tell the people at the time. Now, I do not know what happened in the town of Lawn. But I can tell this House that there was no doubt at all, in September or October of last year that Lawn was going to get a water and sewerage installation there, study or no study.

MR. DAVE: Provided it cost \$200,000.

MR. HICKMAN: Now, just a minute. The study was started out, this is why I say studies fall into two categories. If the study is to ascertain the cost,

tell them that if the cost is too high the tax base cannot support it, then regrettably we will have to say no. But the second category of study is the engineering study and this is the great emphasis. If you are on a Town Council and the Minister of Municipal Affairs says we are now going to have an engineering study done of your community, what conclusion can you arrive at? You can arrive at only one conclusion, that they are now working on the design of the water and sewerage system and not trying to make a decision as to whether or not this is economically feasible or whether it is going to go there.

There is a difference in the study and you look at these studies that were listed here, preliminary design, detailed design, does that indicate that it is a study to decide on the economics of it? Of course not. It is a study to complete the engineering work that is to put in the water and sewerage system.

MR. SMALLWOOD: That is the last thing that is done. That is the last thing before letting the contract, before calling tenders.

MR. HICKMAN: I know all that, but that is not what the municipalities are told. They are told -

MR. SMALLWOOD: The design, but before that there is an engineering study before there is engineering design.

MR. HICKMAN: Well, then why were not the people of Lawn told last August that the first study that was going to go on down there was to decide whether or not they would get water and sewerage, instead of being told that they were going to get it? Why not?

MR. SMALLWOOD: You answer it.

MR. HICKMAN: Yes, you answer it.

MR. SMALLWOOD: Let him answer it.

MR. DAVE: I am just answering this because I was involved with Lawn particularly at the time and, as I said, the Premier and I, we met with

the Town of Lawn and the councilors showed us that \$200,000 would do the first phase of the water and sewerage for the Town of Lawn and we made the commitment there that when we would come back to St. John's we would study their proposal and we would advise them. We advised them that we would provide this \$200,000 for the Town of Lawn and we did that in good faith, on advice of the Council at Lawn. \$200,000 was required and this is what we committed -

MR. HICKMAN: Without any study?

MR. DAVE: Without any study. This was just from the Council itself and we accepted their word and this was the commitment that was made and this is the commitment that we were prepared to fulfill. But now since the study was made and tenders have been called, the cost is almost treble and that is the position with Lawn.

MR. HICKMAN: Well, Mr. Chairman, I will just look at Lawn. The type of survey that has been going on at Lawn, according to the answer, is first there was the preliminary survey and now the detailed survey is in progress.

MR. DAVE: Detailed design.

MR. HICKMAN: Detailed design, what does that lead anyone on the Lawn Town Council to believe? That they are going to get a water and sewerage system and not that they are going to get a water and sewerage system if it stays within \$200,000, not on your life. Maybe this is far more appropriate to discuss under the next heading, water and sewerage, but before we leave paving grants, Mr. Chairman, I take issue with the hon. the Minister of Education when he says this was a five year programme.

MR. CROSBIE: It was not.

MR. HICKMAN: It was a programme to be financed over five years and it is a fact that municipalities came in, sought the guidance of the officials in the Department of Municipal Affairs and Housing, received

good guidance and were told what they had to do and, number one, they had to put their own tax base in order. The best example that comes to my mind more forcefully than any, is the Town of Fortune. They decided, about the same time as Grand Bank, that they wanted street paving but they did not have the tax base to support it and they owed a great deal of money and their borrowing capacity was somewhat limited. They accepted good, sound advice from the financial experts in the Department of Municipal Affairs and paid off a lot of their old commitments, brought their tax in line and found themselves in a position where they could now raise their fifty per-cent and saw where they could pay back their fifty per-cent.

They were not told, during any of these negotiations, that there was a deadline to meet and that deadline was 1968. They were working all through 1967 and 1968 and coming back and forth to St. John's and then suddenly the programme was stopped and they were out, finished, gone, and no chance of doing it unless they go now and borrow the full cost themselves and have the Government go on the back of a note. If they borrow the full cost themselves, they have to impose a tax version that will ^{be} pretty onerous and one which I doubt they can support.

Now just take a look at this cost sharing programme: Here are the amounts, Mr. Chairman, that have been spent since that programme was initiated or at least put it this way, these are the amounts that were voted by this House under the item paving grants, the cost sharing grants. The first vote, which I believe was a supplementary vote, which indicated that it may have started before, was for the year ending March 31, 1965, and there was no vote prior to that. \$125,000. was the vote that year. March 31, 1966 - \$200,000., March 31, 1967 - \$400,000., 1968 - \$800,000., 1969 - \$1,068,700., March 1970 - \$790,000. and last year, as hon. members will see, was

\$945,000. The total amount voted by this House during that period, for the cost sharing programme of paving municipal streets, was \$4,328,700.

MR. MURPHY: I thought it was \$20. million.

MR. HICKMAN: No, no, it is not \$20. million. I do not know where the \$20. million figure came from, but it was \$4,328,700 - the total amount voted by this House for that cost sharing programme. Now you double that, because the municipalities pay fifty per-cent, and out of that there was a total of \$8,600,000 worth of paving done. But, my goodness, these municipalities did not plan under any schedule, they did not rush to meet any deadline because, if they had, the irresponsible thing to have done was to simply seize it in 1964 or 1965 or 1966 and say, "We will worry about it later. We will take it now." But they did not take it now and this is what the officials in the Department of Municipal Affairs are there for and this is why I commend them for the work they do, that they give the financial advice to these municipalities when they come in.

I say that the municipalities that heeded that advice, that followed the pattern, are now being penalized and penalized very, very severely indeed.

On motion, 1311(03)(09) carried.

MR. EARLE: Mr. Chairman, under (10), I have listened to all this debate, in which the water and sewerage systems apparently was brought in to the paving grants, but on the water and sewerage systems there is a question I want to ask. In the light of what is happening, just to give an example, I believe that the Town of Harbour Breton had a plan approved for a water extension of \$60,000. to \$70,000. and the lowest tender which they have now received is \$161,000. I hear that there are numerous places all over the Province, where plans have been approved and tenders have been called, and the tenders are so much outrageously higher than the original estimate that there

is no possibility of carrying these plans out. Now there were a number of places, a great many places, announced in the Economic Conference, that were going to get the water and sewerage systems. There was a whole list of them and apparently some of them, if not all of them, are now proving to be so much more expensive than was originally estimated. What is going to be the result? Are just a few going to get them? Are jobs going to be partly done while there is an election coming on, with the hope that they maybe finished sometime within the next ten years or is somebody, some mysterious great uncle in Ottawa, going to find money, which they have not committed themselves to? I would like to know, is this all one big bluff or is the Government going to somehow or other find a mysterious hunk of money that they can pay for all these additional costs which are now appearing on every project?

MR. SMALLWOOD: Mr. Chairman, what the hon. member says is right. There is a vast difference now between the estimated cost of these jobs and the actual

MR. SMALLWOOD:

cost. What is happening is that all the contractors, in putting their tenders in, are tendering for far, far higher prices than were estimated. The escalation is frightening and a good example is in the case that was mentioned in Lawn. In Lawn the estimate was \$200,000, to put a water system in the center of the town. There were two tenders.

MR. CROSBIE: Whose estimate though? Was it just the councils or was it some engineers?

MR. SMALLWOOD: It was the Town Council of Lawn.

MR. CROSBIE: But were they advised by engineers?

MR. SMALLWOOD: They were apparently advised by engineers. There were two tenders, one was for \$387,000., I have the name here in front of me, and the other was for \$444,000. Now the estimate is \$200,000 and there is one bid in for \$444,000. and the lower of the two bids was for \$387,860. All the bids we are getting for roads, for schools, for hospitals, for paving, for water and sewage, all the bids we are getting, no matter who makes them, without exception, I do not think there is even one single exception, all the bids we are getting are frighteningly higher than the estimates.

Now we have tried, and I do not mind saying that I have sent to the Mainland, and there will be contractors in Newfoundland who will not like to hear this, but I have sent to the Mainland and ask about twenty different companies, would they come down and bid, and eighteen of them said no, two said yes and came and bid, and their bids are even higher. What is happening is that there is an enormous amount of lag in construction being taken up this year not only in Newfoundland because, of course, as everybody knows, there is an election. That is the only reason we ever do anything, this Government. The hon. gentleman nods his head, he knows that is right. We never do anything except in an election year. Funny thing, three or four years pass and

MR. SMALLWOOD:

not a road is built, not a bit of paving, no water and sewage, no rural electrification, no hospital extension, nothing except in election year.

But there are other Provinces where they do not have elections this year and all across Canada you have an expansion in the construction industry and the result is a fierce and frightening escalation in bids, in cost. This is known as inflation and the inflation is frightening. When people say, as I have heard people say, "Why should Newfoundland suffer down here in monetary policy and in monetary programmes caused by inflation, when in fact we do not have inflation? Why should we be punished for something we do not have?" I have to laugh. No inflation in Newfoundland, I am afraid we have, I am afraid we have had a lot of inflation.

Now with regard to water and sewage, may I give this information to the House: We have completed projects at Brents Cove, Grand Bank, Grand Le Pierre, Happy Valley, Roberts Arm, St. Lawrence, Westport and Wild Bight and now under construction at Arnold's Cove, Badger's Quay, Bishops Falls -

MR. CROSBIE: Are these water and sewage or just water?

MR. SMALLWOOD: One or the other or both. Bishops Falls, Clarendville, Hawkes Bay, Middle Arm, Musgrave Harbour, Pacquet, Ramea, Sandringham, Seal Cove, Twillingate, Upper Island Cove, Wabanna, Wesleyville, and Whitbourne. Places where the contracts have been let and the work will start shortly; Fere Bay and Red Harbour.

MR. FARLE: Mr. Chairman, would the Premier permit a question before I forget it? Does he not feel that the Economic Conference, when so many projects were announced at the same time, this big development programme was that not a major contributive factor in this escalation of costs?

MR. SMALLWOOD: Maybe, maybe! So what will we do, not announce it?

MR. SMALLWOOD:

What will we do, not announce it because it might cause an escalation in bids? Hare Bay and Red Harbour contracts let and the work about to start, tenders called but contracts not awarded: Cooks Harbour, Holyrood, Harbour Breton, Lawn, Roddickton, Trepassey and places where the detailed designs, the detailed engineering designs have been completed or are nearly completed: Baie Verte, Carmanville, Deer Lake, Englee, Fox Harbour, Fleur de Lys, Hearts Content, Hants Harbour, Lumsden, Milltown, Placentia, St. Alban's and Wareham and places where the preliminary surveys only, the preliminary surveys which is the first thing you do you make a preliminary engineering survey and later, if it is decided to go ahead and let contracts, you get your engineering designed, detailed engineering design done. You do not do that until you decide to go ahead with the project. First you get the preliminary engineering. This has been done for Bellburns, Daniel's Harbour, Flower's Cove, Fogo, Happy Adventure, Parson's Pond, Port au Port East, Rocky Harbour, Rushoon, Sandy Cove in Bonavista Bay, Sandy Cove on the St. Barbe North, St. Anthony, St. Lunaire, Griquet, St. Mary's and Trout River.

Now finally, under very active consideration, not just consideration but active consideration: Dunville, Gaultois, Glovertown, Nippers Harbour and Woody Point, and these are the projects and these have already been announced, I think, at the Development or the Disarmament Conference or the Economic Conference, the one that was held, that one, that conference in the Arts and Culture Centre. These have been announced, some of them been completed, some are now under construction, some of the contracts have just been let, some are about to be let, some the engineering design is not quite finished and some, a few, are under active consideration, five such places.

So the programme this year, for about \$23. million of water and sewer services in the Province, is a tremendous programme and if we can

MR. SMALLWOOD:

do the same next year or a bit more and then the year after, it should break the back of the problem. At that point we could probably come back with a bang, with our programme of paving, sharing the cost of paving streets within municipalities. But it is very difficult, to say the least, and any reasonable minded man knows it is difficult. Politically he might not admit it but he knows it is difficult to do both in the one year, a great sharing of the cost of paving streets in municipalities and also at the same time, in the same year, a great programme of water and sewer. Along with all the rest, just these two, to be done the one time in the one year, is a staggering cost, on top of everything else that the Government has to do in a year. The Government does more than just paving streets in municipalities and providing water and sewer systems, the Government are required to do a staggering amount of other things as well. I do not think we can manage yet, without an awful lot more help from DREE than we have had or are likely to get, I do not think it is likely that we are going to be able to put in a great water and sewer programme at the same time as a great municipal paving programme, these two, on top of all the ramifications of Government spending.

MR. EARLE: Well, Mr. Chairman, in other words when I get the Premier completely clearly, what he is saying in effect is that, with these escalated bids that have now been received, the \$23. million which is -

MR. SMALLWOOD: Pay more money or we do less work.

MR. EARLE: Well, this is the point, this is the whole point that I think the public should be made aware of, because these were announced programmes, the places were named and now it appears that the \$23. million is not going to go anywhere near doing the jobs which were promised.

MR. HICKMAN: What \$23. million?

MR. SMALLWOOD: If the hon. gentleman will let me help him a little more, I can tell him that -

MR. FARLE: You were not much help to me the last time, Sir.

MR. SMALLWOOD: Well, it was information. Is the hon. gentleman not helped with information? Now I will give him another bit of information. This problem of escalating bids, escalating tenders, is worrying not only the Government of Newfoundland but also the Town Councils concerned, the Town Councils that are involved in this problem, they too are concerned and some of them are taking active steps. First assuring themselves competent engineering guidance, taking active steps to do their own work and not have contracts at all, and this may indeed lop down quite a bit, lop off quite a bit of the prospective costs. I hope it works. I hope that some Town Councils will just hire their own men and have a good engineer in charge. Once the engineering design is done, why should the Town Council not do the work itself, hiring an engineer to be in charge, and they hope to be able to save -

MR. HICKMAN: Where are they going to get the equipment?

MR. SMALLWOOD: The equipment can be got.

MR. HICKMAN: Where?

MR. SMALLWOOD: It can be rented. Equipment can be rented, yes, it can be hired and this might work, this might save a fair amount of money. I hope it does, anyway.

MR. CROSBIE: Mr. Chairman, if there is a large difference in the estimated cost of some of these studies and the actual cost when tenders are called, it does not necessarily mean that the bids when tenders are actually called are too high. It could very well mean that the estimates, when they are done by the engineers, are too low.

MR. SMALLWOOD: Both of them maybe true. I will not say why.

MR. CROSBIE: You can say what you like.

MR. SMALLWOOD: I can think.

MR. CROSBIE: You can think what you like. The trouble is that the Premier often tries to think and speak at the same time and gets mixed up. There are two things, one that a lot of those studies are done months ago and some of them done years ago and the cost of materials and so on have risen since or the engineers are out in their estimates.

MR. SMALLWOOD: If the hon. gentleman will allow me, where the engineering study is a bit old, it is always updated.

MR. CROSBIE: It should be updated.

MR. SMALLWOOD: And it is always.

MR. CROSBIE: So the engineers can be out in their estimates, too low in their estimates, or the bids can be too high. Now just look at the bids, Mr. Chairman. Here is a Province that for the last two or three years has been starved for construction. Well, what kind of a Government is it that goes in fits and starts? I mean, everybody in the construction industry, the architects and everyone else involved, for the last two or three years, have been pleading for work, pointing out how they have nothing to do, pointing out how when the boom comes they are going to be over-loaded, they will not be able to keep up with it. That is just what has happened.

MR. SMALLWOOD: But that is just in Newfoundland?

MR. CROSBIE: No, no that is not just Newfoundland. It is everywhere.

MR. SMALLWOOD: It is not just this stupid Government here?

MR. CROSBIE: No.

MR. SMALLWOOD: No, there are other stupid Governments?

MR. CROSBIE: Just listen now.

MR. SMALLWOOD: Tell me about the other stupid Governments?

MR. CROSBIE: Sit back and relax.

MR. SMALLWOOD: Where?

MR. CROSBIE: Just sit back.

MR. SMALLWOOD: Tell me?

MR. CROSBIE: Now we will deal with the Government we know best, this is the stupidest one I know.

MR. SMALLWOOD: That is what the hon. gentleman loves to be doing.

MR. CROSBIE: Just let us get on with the point. So over the last two or three years the construction industry had next to nothing to do, right? The people supplying building materials are going under every day, every day there is a new building materials firm gone under. They have not been able to sell building materials for the last two or three years. Construction companies, the same way. Look at the ones that went under in the last two or three years.

So now this Government and others, of course, but principally this one, is pretending that there is going to be nothing but construction in the Province of Newfoundland this year. That is the result of a Disarmament Conference. (I am glad to see the Premier has adopted that name for it) of January. That is the result of all the talk of the last few months. The talk that is to set up the electorate for the coup de grâce is also setting up the contractors. So they are all convinced now that there is going to be nothing but work, there are going to be ten jobs for every man and the rest of that nonsense this year, so they are bidding accordingly. They are bidding high because they do not want jobs. Some of them do not want jobs now because they figure they are going to get all they can handle or they have a couple of contracts they cannot handle any more and this is the result of a boom and bust psychology.

MR. SMALLWOOD: You cannot have it both ways.

MR. CROSBIE: Yes, yes there is going to be enough work according -

MR. SMALLWOOD: You cannot have the contractors blocked with work when there is no work going on.

MR. CROSBIE: Every contractor this year is going to have enough work

MR. CROSBIE:

to do. So he decides, all right, I do not want a job down in Lavn, that is too far away but I will put in a bid, if somebody asks me. He puts in a good one to make sure he does not get it and the other fellow bidding on it is doing the same thing. This is because they would sooner have a job closer to home, where they do not have the long distances to go and the rest of it.

MR. SMALLWOOD: Suppose he does not have one, suppose all this is just bluff and there are not going to be big jobs.

MR. CROSBIE: Exactly and this is where they might be making the mistake, a lot of this might be bluff.

MR. SMALLWOOD: Ah, they are kidded.

MR. CROSBIE: A lot of this might be bluff.

MR. SMALLWOOD: Yes, they are kidded.

MR. CROSBIE: Now, Mr. Chairman. if you had a Government that was not constantly bluffing that three years ago it was tight money and could do nothing and two years tight money and could do not. If you had a Government that just was not aiming at every three or four years for an election -

MR. SMALLWOOD: Led by a Crosbie.

MR. CROSBIE: It might be by a Murphy, it might be by a Collins, it might be by a Hickman or a Moores.

MR. SMALLWOOD: A real Government led by a Crosbie.

MR. CROSBIE: Most likely Moores.

MR. SMALLWOOD: Moores especially; there is your success.

MR. CROSBIE: I would say Moores is the most likely, definitely most likely.

MR. SMALLWOOD: There is the successful man.

MR. CROSBIE: Right, now a Government led -

MR. MURPHY: (Inaudible).

MR. SMALLWOOD: The successful Frank.

MR. MURPHY: Tell us all about it?

MR. CROSSIE: What was that?

MR. MURPHY: The polling booth in 1968, the Premier -

MR. CROSSIE: Roaches Line voted solid against him. Anyway, Mr. Chairman -

MR. SMALLWOOD: You will hear another kind of laugh in a while.

MR. HICKMAN: That is not true.

MR. SMALLWOOD: Let Frankie come and run in the same booth again.

MR. MURPHY: That is true.

MR. SMALLWOOD: Let him try, Will he do it?

MR. CROSSIE: Frankie Baby will beat Papa Doc. every time.

MR. SMALLWOOD: Yeah, Yeah!

MR. CROSSIE: Now, Mr. Chairman, let us get back. If we did not have this silly, you know that two years ago we had nothing and now today we have hundreds of millions, the conference on television, everybody now is going wild expecting that there is going to be contractors coming, after them begging with them to go work for them. There is no sign of that in Newfoundland yet. There are still 28,000 unemployed. There are 3,500 names that they have, that the Shaheen Organization has waiting for jobs at Come by Chance and the four or five hundred who are already taken on there. This is all nonsense. There is not going to be a job for every man this year but the Premier has the construction thinking that this is going to be the case. So if the bids are high, it is the Premier's responsibility for making things look too good. He has just made it look too good that is what he has done. Construction prices. you cannot blame this on construction prices. A lot of this should be blamed on bluff, Mr. Chairman.

MR. SMALLWOOD: Blame it on me, that is right.

MR. CROSSIE: Here is what happens in these water and sewer projects -

MR. SMALLWOOD: Will you sit down now? Have you said enough now?

MR. CROSBIE: I have not even started yet.

MR. SMALLWOOD: This is eleven speeches today.

MR. CROSBIE: It is only eleven.

MR. SMALLWOOD: Eleven.

MR. CROSBIE: Golly I am falling back.

MR. HICKMAN: You are two behind the Premier.

MR. CROSBIE: Two behind the Premier, yes, and the Minister of Education even spoke. Now look here is what happens: A community wants water and sewerage. There is a preliminary study done to get a rough idea of what it might cost. So that preliminary study is done and a year or two later the council puts on greater pressure, the Government gets the wind up again, an election is getting close, so we have a detailed study done. Now that shows an even higher price, when they get the detailed plans and so on and all these specifications drawn up, that shows a higher estimate. Then in the election year, when the job gets called, the construction industry is busy, hopefully, so when the bids come in, they are higher than the estimates show.

Well, whose fault is that? It is the fault of stupid Governments that have not yet been able to solve -

MR. SMALLWOOD: That are not led by Crosbie.

MR. CROSBIE: When that chance comes the Premier will be over here and he can, you know, jaw away at me and I will say; "Oh, you made eleven speeches today and what not."

MR. SMALLWOOD: Sit down, sit down, everyone is fed up.

MR. CROSBIE: No, I am not going to sit. I am not going to sit.

MR. SMALLWOOD: Everyone is fed up to the teeth.

MR. MURPHY: I think it is very interesting, Carry on.

MR. CROSBIE: Gee I had thirteen months in that department and I should know -

MR. SMALLWOOD: You are not a bit jealous, are you? You are not jealous?

MR. MURPHY: Not a bit, not a bit.

MR. CROSBIE: Thirteen months experience is holding strong here today. So the prices seem to be high. Now let us look at what happens after a system is built.

MR. MURPHY: Will you start at the beginning, as I think I missed the first few paragraphs?

MR. CROSBIE: Well, there was the ADA study, the ARDA study, the DREE studies, the FRED studies, the preliminary studies, the final studies -

MR. SMALLWOOD: (Inaudible).

MR. MURPHY: Beg your pardon?

MR. SMALLWOOD: (Inaudible).

MR. MURPHY: You will meet without us.

MR. SMALLWOOD: They are keeping their promise, are they not? You are keeping your promise.

MR. MURPHY: You will meet without us.

MR. SMALLWOOD: Well, all right, okay we will meet without you.

MR. MURPHY: You are not making any promise to me.

MR. SMALLWOOD: No more obstruction after this. I have had enough, no more.

MR. MURPHY: I made an agreement at this meeting and I am not going to forget about it.

MR. SMALLWOOD: Well, you have broken it.

MR. MURPHY: We did not break anything.

MR. SMALLWOOD: You have broken it. It is broken.

MR. MURPHY: We did not break anything. If the Premier wants to scuttle this House of Assembly now, he can do that tomorrow and have it.

MR. SMALLWOOD: Stay away. Stay away.

MR. CROSBIE: Mr. Chairman, as I was saying -

MR. SMALLWOOD: Just sheer downright obstruction, just obstruction and nothing else.

MR. MURPHY: Sheer bluff, bluff.

MR. CROSBIE: Apparently discussing -

MR. SMALLWOOD: We will call your bluff.

MR. MURPHY: Yes, you call all the bluffs, you call an election that is the best bluff.

MR. SMALLWOOD: We will call your bluff.

MR. CROSBIE: Call the election. Come on with the election.

MR. SMALLWOOD: We will give you an election too.

MR. CROSBIE: Come on, Mr. Chairman. Come on, call it today, call it right now. Go and get the Lieutenant Governor.

MR. SMALLWOOD: I will call it.

MR. CROSBIE: You are afraid to call it. You are shaking in your shoes.

MR. SMALLWOOD: Scary cat, scary cat, frightened Joe, scary Joe, I was always scared of an election.

MR. MURPHY: I do not know if you always were but you are this election, that is for sure.

MR. SMALLWOOD: You will find out.

MR. MURPHY: Yes, we will find out as soon as possible.

MR. CROSBIE: Now, Mr. Chairman, -

MR. SMALLWOOD: The bluff is over, the obstruction is over. We will give you lots of time to obstruct after this.

MR. MURPHY: Yes, that is right.

MR. CROSBIE: The Canadian Parliament meets for ten months, Mr. Chairman, -

MR. SMALLWOOD: Scandalous and disgraceful obstruction. Utterly scandalous.

MR. CROSBIE: This House of Assembly has met two months and the poor hon. Premier cannot take it. We dare to ask questions, it is petting under his skin -

MR. NEARY: What about Nova Scotia and Saskatchewan?

MR. CROSBIE: What about Nova Scotia, what about PEI, what about Sawaziland, what about Abyssinia? You know, what about it?

MR. NEARY: Right, right.

MR. HICKMAN: The Premier of Nova Scotia makes one speech a year in the House of Assembly.

MR. CROSBIE: Why not be like Haiti. Let us have a Papa Doc. and cut off the necks of everybody that dares ask a question. Stop your nonsense. Get in your seat if you want to pipe up, never mind your harrassment.

Now, Mr. Chairman, this is a vote of \$2,350,000. Now what happens after the water and sewer system becomes installed? Then there comes the Provincial subsidies and these Provincial subsidies go on -

MR. SMALLWOOD: (Inaudible).

MR. MURPHY: Oh come on. If the Premier would keep his mouth shut for a while we would get the business done.

MR. SMALLWOOD: Let us go on.

MR. MURPHY: Go on what?

MR. SMALLWOOD: We will meet tomorrow morning at ten o'clock.

MR. CROSBIE: Why not meet at seven o'clock?

MR. SMALLWOOD: We will meet at ten o'clock tomorrow morning.

MR. CROSBIE: Let us meet at six o'clock.

MR. SMALLWOOD: And we will go on until midnight tomorrow night.

MR. CROSBIE: We are not afraid. Let us meet all tomorrow night.

MR. SMALLWOOD: We will.

MR. CROSBIE: Hurrah!

MR. SMALLWOOD: We will.

MR. CROSBIE: Hurrah!

MR. SMALLWOOD: And we will call their bluff.

MR. CROSBIE: Now, Mr. Chairman, what happens when the water and sewer systems get constructed? Not obstructed, when they construct the water and sewer systems? There has to be a provincial subsidy and the policy was that the maximum provincial subsidy paid to any municipality to carry

MR. CROSBIE

the costs of a water and sewerage system, that they could not meet, they had not the taxable capacity to meet, would be \$75,000. a year and that maximum subsidy has been paid to the Town of Windsor, for example. But that is the maximum and there is not supposed to be - Now this is a subsidy that has to be paid for twenty years, because to build a water and sewerage system the municipality has to go out and borrow on debentures guaranteed by the Government, so the Government gives them a yearly grant.

Well, in 1969-70 the yearly grant, we have an answer here that lists the yearly grants towards the costs of water and sewerage systems: Bishops Falls, for example, the water and sewer subsidy was \$71,000. and then there are varying amounts for various systems, Windsor was \$75,000. But one thing that puzzles me and I would like to hear the Premier explain, if he does not feel it is obstruction and so on and so forth, He has not given any information today, not a shred, not a scrap of information has he given. He has given the piffling bluff from the Disarmament Conference, the list of this place and that that is going to have water and sewerage and the rest of it, you know, the pitiful stuff that he is trying to get off on the electorate, but not one bit of information when it has been ask for.

Why did the Town of Happy Valley, in 1969-70, receive a total amount, for its water and sewerage system, of \$147,832. when the maximum subsidy under the policy is supposed to be \$75,000.? Practically double the amount that is paid to the Town of Windsor, double the amount that is paid to Bishops Falls, double the amount paid to any other municipality in this whole Province was paid to Happy Valley in 1969-70. I would like to know was that just one extra-ordinary year or, in 1970-71, did \$147,000 have to be paid to Happy Valley in connection with their water and sewerage system?

MR. MURPHY: It is sad that he removed the saw mill operation.

MR. CROSBIE: Well I will tell you this, Mr. Chairman, the story of the Happy Valley water and sewerage system would be one of the most interesting stories of incompetence and misadventure ever told in the Province, if the full story were ever told. The design of the system was faulty, the design was hopelessly faulty, the construction cost twice as much at least as it should have cost. Now what I would like to know is, as a result of all those factors, that the Government had to pay Happy Valley every year, for the water and sewerage system, \$147,000., has that now gone down or was it just the situation for that one year or has the policy been changed so that now the annual subsidy can amount to \$140 or \$150,000. if necessary? There are other amounts in here, Petty Harbour water system, \$25,000, I presume that was just for a study because I do not think they have a water system yet.

But the maximum subsidy, up to now, has been, the Town of Windsor, \$15,000. So I would be interested in knowing whether this Happy Valley one is going to continue or was it just a one-year thing!

On motion that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. NOEL: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

On motion, report received and adopted.

On motion, ordered to sit again on tomorrow.

Motion, the House at its rising adjourned until tomorrow, Thursday, May 27, at 10:00 A.M.:

MR. CROSBIE: On a point of order, there was an agreement made by the Minister of Justice and House Leader that if we agreed to have the Government business of the day morning and afternoon that tomorrow the

MR. CROSBIE:

hours of the sitting would be, tomorrow morning, from 11 o'clock to 1:00 P.M. and tomorrow afternoon, from 3 P.M. to 6 P.M. Now if this motion is carried, it is a deliberate piece of trickery and deception by the Minister of Justice, a foul, disgraceful trick.

MR. CURTIS: Mr. Speaker, 11 o'clock was not mentioned. I said that we would meet tomorrow morning and tomorrow afternoon.

MR. MURPHY: The normal sittings, that was understood.

MR. SPEAKER: Order please! There is a motion before the Chair that the House do adjourn until tomorrow morning at 10:00 A.M.

The only comment that I will make on this is that the Chair is not a party to any agreement. The Chair knows nothing of any agreement between any parties in the House and it is obviously not a party to any agreement that has been made. That is the only thing I can say.

MR. MURPHY: Well, Mr. Speaker, on that motion I move that the House in rising do adjourn until 11 o'clock tomorrow morning. I would like to make a speech on the deal that was made today, but I am not allowed to do it and I will only say that this deal is done away, it is a Judas Iscariot move again. That is all I can say.

MR. SPEAKER: The amendment to this motion is that the House meet at 11 o'clock instead of 10 o'clock. I do not know if the motion even, itself, is in order, because the motion to meet at 10 o'clock is before the Chair and it can be negated by voting against it. But I will accept the amendment.

Those in favour, "Aye," contrary, "Nay." Carried.

DIVISION:

Those in favour of the motion, please rise: The hon. the Leader of the Opposition, Mr. Hickey, Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Kickman, Mr. Crosbie, Mr. Myrden.

Against, please rise: The hon. the Premier, the hon. the

President of the Council, the hon. the Minister of Highways. Mr. Dawe, Mr. Noel, Mr. Smallwood, Mr. Hodder, Mr. Strickland, the hon. Minister of Education and Youth, the hon. the Minister of Finance, the hon. Minister of Mines, Agriculture and Resources, the hon. the Minister of Health. Mr. Barbour, the hon. Mr. Hill, Mr. Fornell.

I declare the amendment lost.

MR. CROSBIE: Mr. Speaker, in my submission, this motion put by the hon. President of the Council is entirely out of order and I refer to the Standing Orders of the House of Assembly, page (7), Standing Order (7): "If at the hour of 6:00 P.M. except on Wednesday, the business of the House is not concluded Mr. Speaker shall leave the Chair until 8:00 P.M. At the hour of 6:00 P.M. on Wednesday Mr. Speaker adjourns the House without question put, the House then stands adjourned until Thursday." It is quite clear under our Standing Orders, Mr. Speaker, that this is now 6:00 P.M. on Wednesday and that you adjourn the House without question put and the House adjourns until Thursday at 3:00 P.M.

MR. SPEAKER: I understand the point that the member is on but

MR. SPEAKER: I have not called it six o'clock, I do not recognize it as six o'clock. We had a motion before the Chair. We had a division. The carrying over, if the clock says it is a minute or two passed the hour of six, I have not called it six o'clock. Those in favour of the motion please.

MR. CROSBIE: Mr. Speaker, on another point of order. It matters not whether the Speaker says the clock is at six or does not say. The clock says it is five after six now, and the rules say, "at the hour of six o'clock P.M." For the Speaker to say that he is going to ignore the clock is to show prejudice against one side of this House. The rule is quite clear; at the hour of six o'clock P.M. on Wednesday, Mr. Speaker, adjourns the House without question put. There is no discretion on Mr. Speaker. If Mr. Speaker wants to ignore the clock, Mr. Speaker is favouring the Government and showing partiality against the Opposition.

Now I put it to you, Mr. Speaker, that this motion is entirely out of order, under Standing Order Seven.

MR. SPEAKER: I have in the past, and in every other House of which I know anything about, if the business of the House is varying, there is something crops up, somebody wants to speak on a motion, that this business of six o'clock, I can tell which clock, I have not even said this may be the one that the hon. member is referring to, but I do not call it six o'clock, I ask for those in favour of the motion that we adjourn until 10.00 o'clock tomorrow morning to please say "Aye" Contrary "Nay."

MR. CROSBIE: Mr. Speaker, as I say, it is a partial ruling, and I want to appeal it. It is not an impartial ruling, it is discriminatory. The motion could not be made under the rules. I appeal the ruling.

MR. SPEAKER: Order, please.

MR. CROSBIE: I ask to appeal the ruling.

MR. SPEAKER: Order, please. The motion is now; the rule of the Chair be sustained. Those in favour say "Aye", Contrary "Nay."

The motion is carried.

MR. MURPHY: Let us go again.

MP. CROSBIE: Discriminatory and partial and not a question about it.

MR. CURTIS: Obstruction, definitely.

MR. MURPHY: I am not obstructing.

MR. SPEAKER: Order, please! There is a motion before the Chair. Will those in favour of the motion please stand? The motion is that the ruling of the Chair be sustained.

The hon. the Premier, the hon. the President of the Council, the hon. the Minister of Highways, Mr. Dawe, Mr. Noel, Mr. Smallwood, Mr. Hodder, Mr. Strickland, The hon. the Minister of Education and Youth, the hon. the Minister of Finance, the hon. the Minister of Mines, Agriculture and Resources, Mr. Barbour, the hon. the Minister of Health, the hon. Mr. Hill, Mr. Wornell.

MR. SPEAKER: Those against: please rise:

The hon. the Leader of the Opposition, Mr. Hickey, Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Crosbie, Mr. Myrden.

MR. SPEAKER: I declare the motion carried.

The motion before the Chair is that this House at its rising do adjourn until tomorrow, Thursday at 10:00 A.M. Order, please. Those in favour of the motion please rise:

The hon. the Premier, the hon. the President of the Council, the hon. the Minister of Highways, Mr. Dawe, Mr. Noel, Mr. Smallwood, Mr. Hodder, Mr. Strickland, the hon. the Minister of Education and Youth, the hon. the Minister of Finance, the hon. the Minister of Mines, Agriculture and Resources, Mr. Barbour, the hon. the Minister of Health, the hon. Mr. Hill, Mr. Wornell.

MR. SPEAKER: Against, please rise:

The hon. the Leader of the Opposition, Mr. Hickey, Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Crosbie, Mr. Myrden.

MR. SPEAKER: I declare the motion carried.

On motion the House at its rising stands adjourned until tomorrow, Thursday at 10:00 A.M.