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SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

Before we begin today's proceedings, I would like to welcome the Springdale Town Council to the galleries with Mayor George Huxter, Deputy Mayor Reverend Ray Brett, town manager Wilson Weir, Councillors Ford Ralph, Ray Whalen, George Warren and Calvin Clark. On behalf of all members of the legislature, I welcome you to the galleries today.

STATEMENTS BY MINISTERS:

HON. E. PECKFORD (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, in light of the various questions that have been asked me in the last week or two regarding housing in the province and in St. John's in particular, I thought it appropriate if I should make a ministerial statement at this time regarding housing in general in the province.

I have asked the Newfoundland and Labrador Housing Corporation to report to me on recent progress in housing, particularly for low income groups and in the acquisition and development of land for residential housing. Recent progress has indeed been remarkable. First of all let me relate the subsidized rental units situation. Despite escalating costs, in the last eighteen months 571 new subsidized rental housing units have been started, 120 units have been completed and 451 are under construction. Of these eighty-seven were completed in St. John's and 261 are under contract. Another thirty units will be made available on a leased basis from entrepreneurs building under a special scheme.

In other places in the province, thirty-three units were completed and 160 are under construction. CMHC is the project manager for the St. John's units which are cost shared on a seventy-five, twenty-five federal, provincial basis while Newfoundland and Labrador Housing Corporation is the project manager for the other units with financing by way of a ninety per cent loan from CMHC.

It is worthy of note that in this period the 571 units in hand represents a one third increase in the supply of subsidized rental housing, 1,498 having been built in all the previous years since Confederation.

The corporation as well requested CMHC to enter into a partnership

with them for the construction of 300 additional units for St. John's to be provided as soon as possible. As soon as this project is agreed, additional units will follow as fast as the trade can produce them. As in the case of St. John's, in other areas of the province such as Corner Brook, we are seeking the provision of additional subsidized rental units as quickly as responses by the building industry will permit. I regret that we have succeeded in getting only sixteen units under way in Corner Brook. Despite our best efforts, the bids received for additional units were unacceptably high.

In summary, the province through the Newfoundland and Labrador Housing Corporation and its affiliated bodies, the St. John's Housing Authority and the Corner Brook Housing Corporation, has approximately 1,000 units of housing under management for low income families in the form of subsidized rental housing and homes for the needy.

In the field of other rental housing, the activities of the corporation include management of some 1,200 rental units throughout the province, mainly in support of industry and for government staffing purposes. Of these there are 558 units at Stephenville where the corporation has established a new office. In summary the corporation and its affiliates manage some 3,100 rental units throughout the province.

The small loans programme - under a lending programme begun by the corporation in 1971 with provincial financing, mortgage loans for home ownership in small communities and rural areas were made available. In that service to the home owners, assisting with land title problems and project organization is given.

Under the first programme, 784 units were built.

under a new programme which was negotiated with the federal government sharing seventy-five per cent of the financing. The corporation has to date committed 540 loans and will make 700 by the end of the current fiscal year. The loans are now as high as \$17,718 a unit whereas the earlier programme allowed loans of \$6,000 then \$9,000, latterly \$15,000 a unit. This has been a tremendously received programme and is doing a great deal both to improve standards of construction and to satisfy needs which would otherwise have had to be met by overcrowding and substandard housing.

In the field of residential land development this leads them to the activities of the corporation servicing land for residential purposes. In addition to lands which are now on sale or have been recently sold under this programme nearly 2,100 lots are in process of development at various locations throughout the province and plans arranging from preliminary design to ready for tender call are in hand for another 1,500 units. Thus in the field of serviced residential land the corporation is well under way in meeting the policy objective of lots being marketed on a timely and adequate basis.

The total annual number of housing starts in the province since 1971 has consistently set new records. In 1971 there were 3,658 starts; in 1972 there were 3,901 starts and in 1973, 4,831 starts. Looking at the statistics so far available for 1974, the total number of starts to the end of September 1973, were 3,985 compared to 3,848 in 1973, which is an increase of 3.6 per cent. Other statistics relating to the greater St. John's Area show 1,222 starts in 1971, 1,307 in 1972, 1,705 in 1973; by September 30, 1974, starts in the St. John's Area were 5,119 compared with 1,364 for the same period in 1973. These levels of building have been achieved in this province while on the national scene there has been a down turn. I am hopeful from present indicators that the starts in the province, overall, will equal or surpass the 1973 record of 4,831 units.

I have copies, Mr. Speaker, for the opposition and for the press.

MR. S. A. NEARY: Mr. Speaker, when the minister rose in his place here to make a ministerial statement, we on this side of the House were expecting to hear some great announcements and to hear some announcements of some great reforms in the construction of houses in this province, especially, Sir, from the new minister responsible for housing but I am afraid, Mr. Speaker, that we have been let down very badly. The minister, Sir, certainly did not paint a very optimistic outlook for the construction of houses in this province for the future.

MR. W. W. MARSHALL: On a point of order, Mr. Speaker.

Mr. Speaker, on ministerial statements "It is now recognized" I am quoting Beauchesne, "That the Leader of the Opposition or recognized groups are entitled to ask explanations and to make a few remarks but no debate is then entitled under any Standing Order."

So the two points of order, number(1) while there was a bit of laxity in previous session because it was not quite sure as to whom the Leader of the Opposition was going to be, despite the honourable Member for Bell Island's attempt, he is not the Leader of the Opposition and thus I would contend not entitled to make comments upon statements of ministers.

The second point is, of course, the honourable member is going into the realm of debate and entering into the realm of debate not asking explanations or making a few remarks as such.

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

HON. E. M. ROBERTS (LEADER OF THE OPPOSITION): Mr. Speaker, if I might say a word to that point of order, with reference to the first point first. The clear practice of this House has developed in recent years, and I think recent means the last two or three and certainly not before that, is that the Leader of the Opposition or a spokesman from this side of the House, we do not have a one man show over here and my colleague, the gentleman for Bell Island - the honourable gentleman over there does not even have a quarter of a man's show.

AN HON. MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. ROBERTS: Mr. Speaker, as I was saying before the Member for St. John's Centre intruded himself into the debate, the gentleman for Bell Island was speaking for us on this side.

The second point as to the substance of my colleague's remarks the rule or the precedent or the practice in this House is that one is allowed a few remarks

that cannot become debate and there is obviously a very fine line between what is debate and what is a few remarks. I submit that what my colleague was saying was entirely in the line of a few remarks. It would be nice to have an opportunity to debate the subject and if the government would like to arrange to have a debate on the housing situation in the Province we would welcome that. But I submit that my colleague is entirely in order, first of all in making some remarks and then secondly, in the type of remarks he was making.

MR. MARSHALL: Further to that point of order, Mr. Speaker. It is up to Your Honour, of course, to determine as to whether or not the member for Bell Island was entering into the realm of debate. That is entirely as Your Honour interprets the general nature of the remarks that were made but the fact of the matter is that if for one or two years because there has been an awful lot of freedom cast on this House in the past couple of years, if because within the past two or three years the government has permitted other members to speak on ministerial statements and not rise on a point of order that does not mean that a custom is established. That does not mean that it is engrained in the rules. The rules are clear and the rules are there for a very good reason and I would submit that the honourable member for Bell Island - The only person on the other side who is able to speak or respond to a ministerial statement is the Leader of the Opposition or, and as far as the government is concerned I am quite sure the honourable the member for Labrador South even though he does not represent a group as such, he is not a member of the official opposition.

MR. ROBERTS: Mr. Speaker, if I may, since we are playing a game of tennis here: Whether or not one speaks in this House is not by leave of the government, Mr. Speaker. This opposition want no privileges from the government. We expect only our rights and Your Honour has been quite zealous and I am sure will be in enforcing the rights laid down by rules and by precedent. The rules govern that the precedent, Sir, interpret the rules. The practice in this House, I submit, was as I stated it to be. If the gentleman from Labrador South wishes to speak I for one would be

happy to hear him at any time. If any honourable member wishes to speak, fine, but my colleague from Bell Island, I submit, has a right to be heard on this matter briefly without debate and his remarks relate to the matter of the ministerial statement.

MR. SPEAKER: Well, as honourable members have stated, it has been a custom and sort of a concession granted to honourable members to my right that they are usually recognized in saying a few words to a ministerial statement. I certainly recognize the honourable member for Bell Island having that right. I feel though that he was entering into a debate on the substance of the ministerial statement and if he continues in that way I will have to recognize another member.

MR. NEARY: Thank you, Mr. Speaker. I have no intentions of entering into a debate with the honourable minister responsible for housing, Sir, but the minister did not make it clear, at least to me, Mr. Speaker, and perhaps the minister at some future date in the House might be able to clarify two or three questions that are at least troubling me. (1) The minister made no mention of moving towards land banking and subsidizing the price of land which is the biggest contributing factor to the high cost of houses in this Province and the minister did not mention whether or not the government would subsidize interest rates. The minister, Mr. Speaker, perhaps at a later date could clarify whether or not the government intends to put any more money into the St. John's Housing Corporation. We were told some time ago by Mr. O'Leary, the president of the corporation, that the housing corporation's plans were stifled by lack of finances. The minister did not clarify that. The minister did not clarify either, Mr. Speaker, whether the government were investigating the possibility of getting pension fund monies from trust companies and so forth, to finance housing in this Province.

So all in all, Mr. Speaker, it seems to me that it is going to be a long, long time before young people especially, in this Province are going to be able to own their own homes.

MR. SPEAKER: Before we go on to ministerial statements, I have just been informed that we have, I think, in the gallery to my right from Klienwort-Benson, merchant bankers of London, England, a Mr. Peake and a Mr. Greene.

On behalf of all members of our legislature, I would like to welcome you to Newfoundland and to our legislature today.

Are there any other ministerial statements?

The honourable Minister of Social Services.

MR. MURPHY: If I may

due to many inquiries with reference to the recent increase in social assistance benefits, I would like to table in the House, I will not make a statement as such, table in the House the new rates and just again to affirm that we are doing our best to have these rates come into effect the first pay day in January but whether it is possible or not I do not know but we will certainly get them out the latter part of the month.

MR. NEARY: It is true before the election.

AN HON. MEMBER: He is really terrified.

MR. MURPHY: The election is February 30 - two months.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Mr. Speaker, if I may I would like to table these rather than go through a detailed list and I would like for every member to get a copy of it, any further information we are only too willing to give them. If the ignorant Member for Bell Island would refrain, Sir, I would finish my few words. Any other further information, Sir, that they would require, Sir, we are only too happy to give it to them.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

ORAL QUESTIONS

MR. SPEAKER: The Hon. Member for Bell Island.

MR. S. A. NEARY: Mr. Speaker, I would like to welcome the Minister of Tourism back in the House by asking him how many Silver Anniversary, how many thousand Silver Anniversary calendars were dumped in Robin Hood Bay?

MR. SPEAKER: Order, please! I think that question was asked on a previous day and I do not consider it to be one that requires an urgent and immediate answer, so it is out of order.

MR. NEARY: Mr. Speaker, you are quite right the question was asked on a previous day but of the wrong minister, Sir. I was told to direct my question to the Minister of Tourism. Would the minister care to answer it?

MR. SPEAKER: Order, please! I ruled the questions out of order.

MR. NEARY: Mr. Speaker, this one here, Sir, I have is a very urgent matter, very urgent indeed; one of the most important questions ever to be asked in this House. Will the Minister of Social Services inform the House if he acted on the advice of the Planning and Priorities Committee or the Cabinet Secretariat when he made the major policy decision of discontinuing assistance to welfare recipients to build outdoor privies?

MR. SPEAKER: Order, please! The question is out of order.

MR. MURPHY: Just for the record he is way down low now.

MR. ROBERTS: He is just trying to get down to the minister's level, he has not yet

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, that is a situation that could backfire on the honourable minister.

Sir, I would like to ask the Minister of Transportation and Communications if he could tell the House how much it is going to cost to finish the St. John's Harbour Arterial Road?

MR. SPEAKER: The Hon. Minister of Transportation and Communications.

HON. J. G. ROUSSEAU (MINISTER OF TRANSPORTATION AND COMMUNICATIONS): I could not venture an accurate guess. We have some cost estimates. Depending on our negotiations now with DREE as to the further financing of the road, we feel that if the money is available next year we will do a cost estimate but we are looking in the area of anywhere from \$25 million to \$30 million to \$35 million in that area but I have no idea until next year because of the inflation and the costs that are rising, the cost of equipment and so on we cannot tell but somewhere in that area.

MR. NEARY: Mr. Speaker, a supplementary question. Surely the minister's department has approached Ottawa looking for assistance to finish that road. Could the minister tell the House how much they have asked Ottawa to contribute?

MR. ROUSSEAU: One hundred per cent of the cost.

MR. NEARY: But how much? I mean certainly Ottawa is not going to give the province a blank cheque. How much did the department ask for?

MR. ROUSSEAU: You know I cannot recall the exact figure now, it is down in the office I will get it for you tomorrow, if you would like me to?

MR. NEARY: Okay, Mr. Speaker, tomorrow will be fine.

Sir, I would like to welcome the Minister of Finance back into the House by asking him if it was necessary to go all the way out to Alberta to get an Assistant Deputy Minister of Finance? And would the minister care to make the announcement here in the House and give us the name of the new Assistant Deputy Minister of Finance?

MR. SPEAKER: Order, please! That question is certainly out of order.

MR. NEARY: Out of order, Sir?

MR. THOMS: You are getting the boots today, Steve boy!

MR. NEARY: Well let me see, Sir, if I can rephrase my question. Would the Minister of Finance care to elaborate on public statements that have been made that the province now has a new Assistant Deputy Minister of Finance.

MR. SPEAKER: The Hon. Minister of Finance.

HON. H. R. V. EARLE (MINISTER OF FINANCE): Mr. Speaker, I was away and

did not hear the public statements. I have only heard a report on the public statements which, in the light of the person who started this inquisition, I think are very appropriate to his usual tactics. What the Department of Finance has been attempting to do and particularly in this instance is to upgrade the top civil servants in the Department of Finance, in other words, to get the best possible help we can in that department. We followed the well defined procedure in this particular case by asking the Chairman of the Civil Service Commission and two other top ranking civil servants to sit on a selection committee and of the thirty odd applicants the gentleman about which the inquiry made was selected as being by far the best. His name happens to be Mr. Greg Warner and the fact that he comes from Alberta I do not think should cause the House any undue concern. I would hope that if Newfoundlanders of the similar qualities were looking for a job in Alberta they would get it. We contend that we have the best person that we can find for that particular job.

MR. NEARY: Would the minister confirm or deny a report, Sir, that has been brought to my attention that instead of Scrivener Consultants, Scrivener Engineering over here at Memorial University at the Health Science Complex, instead of calling public tenders, Sir, would the minister confirm or deny that tenders were invited from a carefully selected list of contractors on phase I of the construction?

DR. FARRELL: Mr. Speaker, I do not understand the question correctly. Phase I, phase I of what?

MR. NEARY: Of the Health Science Complex.

MR. DOODY: That was awarded before we got in.

DR. FARRELL: That whole contract was awarded to Scriveners before we got into power.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Mr. Speaker, perhaps I am not making -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: The question I am putting to the minister, Sir, I am asking the

minister if the government, if the minister's department have completely abdicated their responsibility for calling public tenders to Scrivener?

DR. FARRELL: Mr. Speaker, in answer to that question we certainly have not abdicated our powers and controls in this area to my knowledge and I will double check this for the honourable member from Bell Island. All of these standards will go out for public bids and that is where the situation is as I understand it. There is quite a strong control through the Department of Public Works on this project.

MR. NEARY: Mr. Speaker, a supplementary question: Would the minister then confirm or deny that whether at the present time, now I am not talking about when the project started, the continuance of work on certain aspects of the Health Science Complex is being negotiated on a fee basis by the people who already hold the contracts rather than call public tenders? The continuance of the work is being negotiated with the present contract?

DR. FARRELL: To my knowledge no, Your Honour, but I will certainly check that out for the honourable member.

MR. SPEAKER: The honourable member for Labrador North.

MR. WOODWARD: Mr. Speaker, I would like to direct a question to the Minister of Transportation and Communications. Would the minister care to tell the House if there are negotiations going on with Ottawa concerning the Trans Labrador Highway and if we can expect to see any action in this respect during this coming season?

MR. SPEAKER: The honourable Minister of Transportation and Communications.

MR. ROUSSEAU: Yes, we have just about completed our comprehensive brief, the brief before that was not comprehensive enough. As I understand it, Quebec has just about completed theirs. We would hope to get together with Quebec sometime, if not late this year, early next year and go to Ottawa immediately and hopefully meet with them. Certainly the honourable member can appreciate the fact that the matter of a Trans Labrador Highway is a personal concern of mine. I think I have heard somewhere that it was to be suggested that I keep my mouth shut about it and not bring it out in public as much as I have because Ottawa's cost of course, you do not want to put the pressure on them.

AN HONOURABLE MEMBER: Inaudible.

MR. ROUSSEAU: Not here. I am just saying the suggestion has reached me but nevertheless -

AN HONOURABLE MEMBER: Inaudible.

MR. ROUSSEAU: I do not know. I am just saying the suggestion has reached me. I do not know whether that is true or not.

AN HONOURABLE MEMBER: Inaudible.

MR. ROUSSEAU: I do not know. Somebody has suggested, not in the government by the way but the suggestion has come to me. I do not know who. I said the suggestion but if I remember correctly -

AN HONOURABLE MEMBER: Inaudible.

MR. ROUSSEAU: I do not recall that either to be truthfull with you. It was not anybody of a high official office but of course, Mr. Trudeau and Mr. Jamieson did suggest that they were ready to talk about it and we are prepared to talk about it. We will be doing so hopefully in the new year.

MR. SPEAKER: The honourable Member for St. Barbe North.

MR. F. ROWE: Mr. Speaker, a question to the Minister of Municipal Affairs and Housing. Has the minister received any representation from any councils anywhere in the

the province indicating concern over the fact that school tax authorities were infringing or cutting in on their own tax source or tax base?

MR. SPEAKER: Does the Hon. Minister of Municipal Affairs and Housing have a ministerial statement?

MR. PECKFORD: No, Mr. Speaker, I have not.

MR. F. ROWE: Mr. Speaker, I wonder if the Minister of Finance could indicate whether when he was Minister of Municipal Affairs and Housing whether he received such representation as the one that I just mentioned?

MR. SPEAKER: The Hon. Minister of Finance.

MR. EARLE: May I ask for a repetition of the question, I thought it was directed to the former -

MR. F. ROWE: Mr. Speaker, what I was asking; had the minister when he was Minister of Municipal Affairs and Housing received any representation from any councils anywhere in the province indicating concern over the fact that their tax base or tax source was being cut into by school tax authorities?

MR. EARLE: Mr. Speaker, I cannot recall any such instance. I know that on many occasions councils of various kinds came in to complain that they did not have sufficient money to operate but they never used such an excuse to the best of my knowledge or such a statement.

MR. F. ROWE: Mr. Speaker, has the Minister of Education received any such representation?

MR. SPEAKER: The Hon. Minister of Education.

HON. G. OTTENHEIMER (MINISTER OF EDUCATION): Mr. Speaker, I recall having received what appeared to be a carbon copy of a letter and I am not sure to whom it was addressed in which a town council said something to the effect that they did not agree with it, that they did not agree with school taxation in their area. It was a carbon copy of a letter addressed to, and I am not sure to whom it was addressed. I think probably one point which might need clarification, is that, it was never stated, never the policy of this government or the former government that revenue in this area is exclusively for municipalities, that they have an exclusive right of taxation therein. That was never the policy

of this or the former administration.

MR. F. ROWE: A supplementary, Mr. Speaker. Would the three ministers in question undertake to research their files in this connection and table any such letters of protest?

MR. OTTENHEIMER: Mr. Speaker, in answer to that I am not sure that private correspondence, from people all over the province or various organizations, letters to ministers or copies thereof to ministers are necessarily opened, you know, for tabling. We may as well table our entire mail, bring the mail up here after it is opened and put it all on the table. I really do not think that, that is the purpose of tabling information, that correspondence going to ministers is all tabled.

AN HON. MEMBER: It was a perfectly legitimate question

AN HON. MEMBER: public protest.

MR. SPEAKER: Order, please!

The honourable Member for St. John's North.

MR. J. A. CARTER: Mr. Speaker, I have a question that I would like to address to the Minister of Municipal Affairs and Housing. Would the minister please inform this House whether he has any more information for us on the house for house legislation that I asked him about a few days previously?

MR. SPEAKER: The Hon. Minister of Municipal Affairs and Housing.

MR. PECKFORD: Mr. Speaker, I have a partial answer here. The only reason why I have not tabled it up to now is because I want to get some clarification on a number of sections to the Act under which this falls. A full answer will be given the honourable member within the next day or two.

MR. SPEAKER: The honourable Member for Fogo.

MR. E. WINSOR: Mr. Speaker, may I direct a question to the Hon. Minister of Fisheries. In the light that many fishermen did not get their report of claim in on the deadline of September 10, because of various reasons, could the minister now tell the House whether those claims will be honoured and those fishermen will be paid for storm damages suffered last spring?

MR. SPEAKER: The Hon. Minister of Fisheries.

HON. J. C. CROSBIE (MINISTER OF FISHERIES): Mr. Speaker, the position is that the deadline date, I think, was September 10 and I think it should have been September 1. There was tremendous publicity in all of the media as to that deadline date. In addition, to that every fishermen in the island was sent a letter, in the areas effected, as to the date and the deadline for having any applications in, if they had lost any gear due to ice conditions. As I say every fisherman was sent a letter to that effect. There have been some letters coming in now from people who say, they did not realize before that they had to apply by September 1 or September 10. The position is that September 10 is a deadline and we are not accepting any applications that come in, that were not notified or sent in before September 10, 1974.

AN HON. MEMBER: Shame!

MR. CROSBIE: It is not shame at all.

MR. NEARY: No.

MR. WINSOR: Sir, what the minister is saying, is that they will not be paid for -

MR. NEARY: If they wanted to get a liquor outlet though he would not -

MR. SPEAKER: Order, please!

MR. NEARY: The deadline would not amount to a row of beans.

MR. WINSOR: Mr. Speaker, may I direct another question to the Hon. Minister of Fisheries. Can he inform the House when he will be or the Premier will be appointing a

Deputy Minister of Fisheries?

MR. CROSBIE: Mr. Speaker, the Premier, I am sure, on my recommendation will appoint a Deputy Minister of Fisheries as soon as we have found a man.

MR. NEARY: Inaudible.

MR. CROSBIE: I would not care if it is Alberta, the North West Territories, Japan, Korea or Germany or what country in the world. If we can find a suitable man with the capabilities to head up the Department of Fisheries as deputy minister, he will be appointed from I do not care what corner of the universe.

To get back to the question, we have advertised, Mr. Speaker, both here -

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: Dr. Valdmanis is no longer available. Honourable gentlemen opposite talk about appointing people from outside because they have forgotten, they have short memories. We have advertised both here and on the Mainland Mr. Speaker, and we have had some, I think, fifteen or sixteen applications which will have to be reviewed by a Selection Board. In addition to that we hope to contact - we are trying to find leads ourselves on people who might be good candidates for the post. As yet, there is no appointment being made.

Mr. David Vardy who is the secretary of the Resource Planning Committee or the Planning and Priorities Committee, has been doing a magnificent job as acting Deputy Minister for the last month. So, that we are always short staffed but he is doing a very capable job and we are delighted to have him there but an intensive search is still under way.

MR. F. ROWE: Mr. Speaker, this question requires a little bit of a preamble to the Minister of Fisheries. Sir, this file here represents representations I have made to the minister's department on behalf of the fishermen for loss of gear suffered in the spring. What has happened is that the field representative from the Department of Fisheries has not gotten around to seeing all of the fishermen in the District of St. Barbe North. The question I am putting to the minister -

MR. SPEAKER: Order, please!

The honourable member is setting to a long preamble and attempting to make a speech.

MR. F. ROWE: My question to the minister, Mr. Speaker, is that if the fishermen have not had an opportunity to be interviewed by that field representative, are they automatically disqualified for assistance or compensation for loss of gear?

MR. CROSBIE: I can certainly rest the honourable gentleman's mind and put the honourable gentleman's mind at rest about that. No, that is not the case. As long as they advise that they had a claim before September 10 or notified, wrote or notified the fisheries officer or whatever that they had lost gear, it does not matter whether it is now or two months time that the inspector gets there, they are still eligible for assistance. Now, the honourable gentleman knows there are just so many regional representatives in the Department of Fisheries and they may go to an area and miss that man and they may come back again and still miss him.

AN HONOURABLE MEMBER: Did you lose your voice when you were in Ottawa? Speak up.

MR. CROSBIE: Mr. Speaker, when I was in Ottawa I was treated with great courtesy and there was decorum. I am not used to this invidious atmosphere, that is why I am losing my voice. The opposition is frightening me to death.

So, they will get to them eventually, as long as they are notified before September 10.

MR. NEAFY: Mr. Speaker, I wonder if the Minister of Manpower and Industrial Relations would inform the House what time his government intends to recommend new members for the Workmen's Compensation Board to replace the civil servants that are now operating that board?

HON. E. MAYNARD (MINISTER OF MANPOWER AND INDUSTRIAL RELATIONS): Mr. Speaker, a Selection Board has now been set up to screen the applications - do you want me to answer the question, Mr. Speaker?

AN HONOURABLE MEMBER: Inaudible.

MR. MAYNARD: Mr. Speaker, we advertised some time ago for a chairman for the Workmen's Compensation Board. The applications are in. We have now set up a Selection Board to screen the applications. Hopefully within another week or so, they will make their recommendations to me. I in turn

make my recommendations to cabinet. At that time a chairman will be appointed. After a chairman is appointed, the commissioners of the Workmen's Compensation Board will follow closely thereafter.

MR. CARTER: Mr. Speaker, in connection with my question to the honourable Minister of Municipal Affairs and Housing, may I request at this time that this matter be debated further on Thursday at five-thirty?

MR. SPEAKER: Order, please!

I do not think that question is quite in order. I do not think the honourable member can direct a minister, request that he have the answer to

a question on a certain date.

MR. ROBERTS: If I may speak to the point of order. The honourable gentleman may have slept upon his right although he attempted to rise and was not quick enough off the mark but as I understand the rules governing the late show, all he has to do is say that he is dissatisfied with the answer given by the minister to a question and then notify Your Honour in writing for a certain point. It is not a matter of requesting, it is a matter of a private member choosing to be dissatisfied. Now the gentleman for St. John's North may have slept upon his rights, that I do not know, that is a matter for Your Honour although I would submit there that the gentleman did try to rise but he was not very forceful, my colleague for Bell Island out-hustled him again. But, I think, if the honourable gentleman wants to put it down for the late show, he should be allowed to.

MR. SPEAKER: The Chair has no objection to that. I am sure it is not the Chair's place to inform the honourable member exactly what he has to do with regards to getting an answer to a question.

The honourable Member for Bonavista South.

MR. J. MORGAN: I have a question, Mr. Speaker, for the Hon. Minister of Municipal Affairs and Housing. In view of recent press reports in a possible plebiscite on school taxes in the St. John's school tax area, could the minister outline to the House of Assembly the position of his department and indeed the position of government with regards to plebiscites on taxes, in particular, school taxes in school tax areas.

MR. NEARY: The Order Paper, Mr. Speaker. On a point of order—that question was asked yesterday and ruled out of order. Put it on the Order Paper.

MR. SPEAKER: Order, please!

AN HON. MEMBER: Inaudible.

MR. SPEAKER: Order, please! Whether or not the question was asked yesterday is of no concern to me in a sense because I was not here. The only thing that bothers me is -

MR. NEARY: It concerns the House, Sir. Will Your Honour -

MR. SPEAKER: Order, please! I would ask the honourable Member for Bell Island not to interrupt the Chair when it is trying to make a ruling.

MR. NEARY: It is the business of the House -

MR. SPEAKER: Order, please!

AN HON. MEMBER: Throw him out!

MR. SPEAKER: Order, please! I will ask the honourable Member for Bell Island not to interrupt the Chair when it is trying to make a ruling.

MR. NEARY: Inaudible.

MR. SPEAKER: Order, please! If the honourable Member for Bell Island insists on interrupting the Chair I shall name him.

MR. NEARY: Why not go down to Lewisporte and try and straighten out your problems down there.

AN HON. MEMBER: Name him! Name him!

MR. SPEAKER: Order, please! I invite the honourable Member for Bell Island to retract that statement.

MR. NEARY: I do, Sir.

MR. SPEAKER: With regards to the question asked by the honourable Member for Bonavista South. The answer to that question may be one that requires a rather lengthy answer and I do not think that is the point of the question period. It may be a matter to put on the Order Paper or for another ministerial statement later.

MR. NEARY: A question for the Acting Premier. In view of the fact that Mr. McGrath, the Tory M.P. for St. John's East has publicly stated that there is going to be massive layoffs in Newfoundland in the next few months -

AN HON. MEMBER: The Order Paper.

MR. NEARY: That is not for the Order Paper. Twenty-three per cent by the 1st. of January. Would the Acting Premier care to make a comment on Mr. McGrath's statements?

AN HON. MEMBER: That is for the Order Paper.

MR. NEARY: Well, Sir, let me get back to my old buddy over there, the Minister of Public Works. Would the Minister of Public Works care to indicate to the House whether or not the new liquor store in Harbour Grace is yet opened, and if so, has his department entered into an agreement with Babb's Construction?

AN HON. MEMBER: Inaudible.

MR. NEARY: Sir, I am looking right at the minister when I -

AN HON. MEMBER: Inaudible.

MR. NEARY: Would the minister indicate to the House if the minister's department, the Minister of Public Works, the Department of Public Works has entered into an agreement with Babb's Construction in Harbour Grace to lease space for the Newfoundland Liquor Commission to sell booze in Harbour Grace? Got it now?

AN HON. MEMBER: Order Paper.

MR. CROSBIE: Mr. Speaker, to clear the honourable gentleman's mind. That has nothing to do with the Department of Public Works it has to do with the Newfoundland Liquor Corporation, and the Newfoundland Liquor Corporation called for proposals in the Town of Harbour Grace or the Harbour Grace Area for new premises for a liquor store. They called for proposals in Springdale. They called for proposals in Lewisporte. They called for proposals in two, three or four other places last year. The Board of Directors of the Newfoundland Liquor Corporation reviewed all proposals received and the proposals that involved the lowest rent per square foot - the most satisfactory lease terms and the best facilities and the best location in the town and so and so forth was

awarded the lease. In the Town of Harbour Grace Babb was one of I do not know how many, three, four or five people who made proposals and Babb's was accepted because it was the best proposition. The government had nothing at all to do with it. It was done by the Board of Directors of the Newfoundland Liquor Corporation.

MR. NEARY: Would the Minister of Finance who speaks for the Newfoundland Liquor Commission in the House undertake to table a copy of the lease between the Newfoundland Liquor Commission and Babbs.

MR. ROBERTS: All of the leases.

MR. NEARY: All of the leases and any proposals that were submitted to the Newfoundland Liquor Commission.

MR. EARLE: Mr. Speaker, I see no objection whatsoever to tabling leases which the Board of Liquor Control had made. In fact, they would be quite a revelation in comparison with some leases as were made in the past.

MR. ROBERTS: A supplementary question, Mr. Speaker.

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

The Chair has recognized the honourable Leader of the Opposition.

MR. ROBERTS: Mr. Speaker, a supplementary question to the Minister of Finance. Would he also undertake to table the proposals? I ask that because we on this side find it a coincidence that the Babb Company have once again managed to secure a contract without benefit of public tender.

Mr. Speaker, the minister does not have to answer but is he just going to say nothing. Is he going to say yes or no or will the next royal commission discover it? His silence speaks for itself. We saw it in this House -

MR. SPEAKER: Order, please!

MR. ROBERTS: Mr. Speaker, a supplementary question. Would the honourable gentleman table Lewisporte, Springdale and wherever else they wish? I do not know anything about the Minister of Fisheries asking about Lewisporte. I do not know anything about Lewisporte. I am concerned about the Babbs.

AN HONOURABLE MEMBER: Do not know anything about Lewisporte?

MR. ROBERTS: No, I do not. Not about liquor stores in Lewisporte.

DR. FARRELL: What about St. Lawrence?

MR. FARLE: Mr. Speaker, if I could get a chance to answer. I have already answered the honourable member, that I would be happy to table all the leases that they require.

MR. ROBERTS: We did not ask about leases, we asked about proposals.

Mr. Speaker, a supplementary. The minister did say he would table the leases. We heard that and understood it. He still has not dealt with the point of the proposals because unless the proposals are tabled, there is no way to know whether the lowest was accepted.

MR. CROSBIE: Mr. Speaker, they can easily wait until the honourable gentleman finds out. The other people who made proposals, when they hear what the terms of the lease are, if they tender something lower, we will certainly bring it to the honourable gentleman's attention. So, I do not think he needs to be worrying about. The leases will be tabled.

MR. SPEAKER: Order, please!

AN HONOURABLE MEMBER: You hiding anything "John"?

MR. SPEAKER: Order, please!

MR. NEARY: A question for the Minister of Health. Could the minister inform the House, Sir, whether or not he is in a position to reassure the people on the Burin Peninsula that their proposed hospital is not steeped in politics and they will not have to wait 100 years.

MR. SPEAKER: Order, please!

MR. NEARY: - and that they will not have to wait 100 years for their new hospital.

MR. MARSHALL: On a point of order. Sir, this is not what the question period is intended to do. This argumentative type of question is entirely and absolutely out of order.

MR. ROBERTS: Mr. Speaker, to that point of order. The honourable the House Leader has no right to say that a question is argumentative. He has a right to contend that it is argumentative but the honourable gentleman's arrogance is getting the better of him once again. He thinks that Your Honour must jump to his command. I invite Your Honour to rule upon the question. I submit that the question may be phrased in the colorful language for which my friend and colleague is so well known but that is a

long way from argumentative.

MR. BARRY: To that point of order, Mr. Speaker, if I might. Mr. Speaker, here we have an instance of the honourable member for Bell Island engaging in the normal practice of referring to an unnamed newspaper reporter. What is even worse in this case is that the particular newspaper report, the story is put out as the comments of an unnamed source, Mr. Speaker. On this the honourable member is attempting to base a rational, intelligent question to the Minister of Health. Mr. Speaker, do we have to put up with this?

MR. NEARY: Mr. Speaker, to that point of order, Sir. I wish to inform the House that I am quoting, Sir, from "The Daily News" this morning, the Burin Peninsula section of the morning news. I believe the gentleman on the Burin Peninsula who is responsible for writing these articles for 'The Daily News' is none other than Mr. Larry Hudson, P.C.

MR. ROBERTS: Defeated Tory candidate in Placentia West.

MR. SPEAKER: Order, please!

The question raised by the honourable member for Bell Island is out of order.

I would like to inform the honourable members that the thirty minutes for the question period has expired, indeed we have gone over somewhat.

Being Private Member's Day I recognize motion no. (6) as it appears on today's Order Paper, I think, to be moved by the honourable Leader of the Opposition.

MR. ROBERTS: Thank you, Mr. Speaker. The motion before the House, Sir, if I can find an Order Paper - what is today? Wednesday, is it not? The motion before the House is a very short one. It says simply that a committee on the public accounts and on the report of the Auditor General be appointed with power to send for officers and papers and to sit in session or out. I still think that should be without but be it as it may, the clerk at the table has put it on the

Order Paper in that form.

Now, Sir, I do not propose to take very long in speaking in support of this motion. I would hope that it will win approval from all honourable members and I would hope that it will win speedy approval. We can then go on to discuss the motion which stands next on the Order Paper, the motion on student-aid policies which stands in the name of my friend and colleague the gentleman from St. Barbe North.

AN HON. MEMBER: (Inaudible)

MR. ROBERTS: I am sorry! I thought it was somebody making an intelligent comment but it is only the Minister of Social Services.

MR. MURPHY: (First part inaudible) a stupid goon.

MR. ROBERTS: Now, Mr. Speaker, -

MR. NEARY: Mr. Speaker, on a point of order, Sir. I do not know whether Your Honour caught that comment but members on this side of the House heard the Minister of Social Services refer to the Leader of the Opposition as a stupid goon, Sir, and I ask Your Honour to direct the Minister of Social Services to retract that remark, it is unparliamentary, Sir.

MR. SPEAKER: The Chair cannot ask the member to retract any statement the Chair did not hear.

MR. NEARY: Mr. Speaker, members on this side of the House heard the remark, Sir, and we would ask Your Honour to send for the tapes, Sir, and if Your Honour can recognize it to ask the minister to retract the statement and apologize to the House.

MR. SPEAKER: The honourable Minister of Tourism:

HON. T. P. HICKLEY (Minister of Tourism): The remark made by my colleague the Minister of Social Services was in response to an unparliamentary statement by the Leader of the Opposition. What is wrong with the Member for Bell Island?

MR. ROBERTS: I beg your pardon! I made no reference at all to the Minister of Social Services. It was in the least way derogatory. I forget what it was I said about him. What did I say?

AN HON. MEMBER: (Inaudible)

MR. ROBERTS: That is right! What I said was that I thought I heard somebody make an intelligent remark but instead it was only the Minister of Social Services. I submit, if that were unparliamentary Your Honour would have immediately leaped to Your Honour's honourable feet and called me to order.

AN HON. MEMBER: Repeat what was said please!

MR. SPEAKER: Order please! I submit that the point raised by the Member for Bell Island and subsequent discussion was not a point of order and I recognize the honourable -

MR. NEARY: Point of order, Mr. Speaker. You can use whatever language you like in this House on your way out through the door and get away with it.

MR. SPEAKER: Order please! Order please! That may be the opinion of the Member for Bell Island. The Chair did not hear the honourable Minister of Social Services nor the honourable the Leader of the Opposition.

MR. NEARY: To further that point of order I am asking Your Honour to send for the tapes to see if Your Honour can pick it up on the tapes. That is fair enough, Sir. There is an official record of the House.

MR. SPEAKER: Order please! The Chair recognizes the honourable the Leader of the Opposition.

MR. ROBERTS: Well, Mr. Speaker, for my colleague's valiant efforts to defend me I am grateful. Who really gives a hoot what "Hank" says, one way or another?

Now, Sir,

MR. HICKEY: Point of order, Mr. Speaker.

MR. ROBERTS: Again? What is the matter with him? He has been out of the House for a week.

MR. HICKEY: If Your Honour would permit, I would like to repeat what the Leader of the Opposition said and what the Minister of Social Services said in response. Maybe we should get the tapes, Mr. Speaker, because this kind of thing should stop.

SOME HON. MEMBERS: Hear! Hear!

MR. HICKEY: The Leader of the Opposition looking towards the door as the Minister of Social Services was leaving the chamber said; "I thought it was somebody intelligent coming in but it is only the Minister of Social Services." Now, Your Honour, that is unparliamentary.

A few days ago in this House it was stated and it was ruled by Your Honour that any reference to the integrity of any persons, ministers or members of this House was unparliamentary and out of order. In response to that the Minister of Social Services made his response.

MR. SPEAKER: Order please! I assumed that matter had been dealt with and I recognized the honourable Leader of the Opposition. I think it is only fair though that I remind all members that I think any member does have the right to be called by his official office rather than by his name.

MR. ROBERTS: Mr. Speaker, I referred to the honourable gentleman by his official office, the Minister of Social Services,

unless he has been dismissed as he so richly deserves to be, he is still minister to my knowledge. Now, Mr. Speaker, -

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: He is back. I am delighted, Sir, to see him back and I hope that the minister will speak in favour of this.

MR. SPEAKER: Order, please!

MR. ROBERTS: I hope that he will vote in support of it. As I recall it, in long ago days, he has forgotten when he was on this side of the House.

Mr. Speaker, does the honourable gentleman propose to let me go ahead? I will gladly engage in - Mr. Speaker, -

MR. MURPHY: He said that I forget and I do not forget and I want to put in on the record. I do not forget, so be quiet. I have a right to object -

MR. ROBERTS: May I -

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

MR. MURPHY: Inaudible.

MR. SPEAKER: Order, please! It appears as if members to my left and to my right are insisting on interrupting the honourable member whom I recognized to speak. I would request them and inform them, as I am sure they are aware, that any member speaking does have the right to be heard in silence.

MR. ROBERTS: Thank you, Mr. Speaker. As I was saying, the honourable the Minister of Social Services I hope, will speak in this debate and will vote in support of this resolution because as I was saying before he interrupted me in such an unparliamentary fashion, in the long ago days when he sat on this side of the House as he will again if he is returned to this House, unless he goes to the liquor board or some other post he so richly deserves, -

AN HONOURABLE MEMBER: Cut the price of beer -

MR. ROBERTS: Mr. Speaker, he used to move this type of motion, he and his colleagues quite regularly. I think it is a sad commentary indeed that it is necessary for an opposition in the day and age of this enlightened Tory administration to have to move such a motion. Yet it is necessary, Mr. Speaker. That is why I moved it, that is why I put it down on the Order Paper and that is why I speak in support of it today.

Now, Sir, this has been around for a while. It first appeared on the Order Paper in this session on the eighth day of February. It was the fifth sitting day of the session and today according to the Order Paper is the seventy-fifth sitting day of this third session of the thirty-sixth general assembly. So it has been around for seventy sitting days. Considering that we had a prolonged adjournment from about the end of June until we gathered for a little pre-Christmas cheer at the end of November, it has really been around for about ten months. At any point, Mr. Speaker, during those ten months the administration through the House Leader or through any spokesman for it could have either called the motion and I for one would have agreed to let it go through without any debate for my part insofar as I had anything to say on that issue as one of the forty-two members of this House and I know my colleagues would agree with me on that or they could have put down their own motion to appoint a committee on the public accounts but they have done neither, Mr. Speaker, they have done neither. That is why this motion is before us today. It should not be necessary to put it in, Mr. Speaker. It is necessary to bring it in but it should not have been necessary.

If this government had some belief in the principles they used to espouse and were not self-confessed, self-admitted hypocrites, they would have moved on this a long time ago. Mr. Speaker, back in the days when the once again fortunately absent Minister of Social Services - they once said of Poh Stanfield, he is the only man who adds something to a room by leaving it, equally true of the Minister of Social Services.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: I must say, Mr. Speaker, I wish he would stand when he is speaking. It is hard to tell at times.

MR. SPEAKER (STAGG): Order, please! The honourable the Leader of the Opposition is debating a topic which has been on the Order Paper for some time. Certainly it is his right to debate it. It is not his right to harass or berate any other honourable members as they come in or out of the House or refer to their physical stature or any other of their attributes or lack of them. I suggest the honourable member be relevant at all times.

MR. ROBERTS: I will do my very best to be relevant, Mr. Speaker. As I was saying, when the honourable gentleman, the Minister of Social Services and his colleagues sat over here, they used to move this type of motion quite regularly.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: I do not know how many times. I have not looked it up but it was a number of times. I have no doubt that if I were in the House when a vote was taken on it, I voted against it. I have no doubt of that. I have not bothered looking it up but anybody who wants to check the journals or the Hansard or the record will find it there. What I did I did and what I did not do, I did not do.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: No, Sir, principles have not changed but I am quite willing to admit that what

was a mistake in the past should be corrected in the present. I commend that to the gentleman from Placentia West. His constituents feel exactly the same way.

Now, Mr. Speaker, as I was saying -

MR. CROSBIE: (Inaudible).

MR. ROBERTS: As I was saying, Mr. Speaker - there is another gentleman who has never changed his mind, the Member for St. John's West, the fellow who used to wear the groove going back and forth here, old number two. He has to try harder because he is only number two.

Now, Mr. Speaker, as I was saying before the gentleman from St. John's West returned to the Chamber and added thereby a great deal to the Chamber, the Tory Party used to believe in a committee on public accounts. Back in 1970 -

AN HON. MEMBER: The rules -

MR. ROBERTS: I will come to the rules because the administration have not honoured the rules. They have made no effort to live up to the rules. Back in 1970, in May, 16, there was held (I am not sure where it was held. Perhaps it was in St. John's or perhaps it was held in Gander.) a Tory Policy Convention.

AN HON. MEMBER: Gander.

MR. ROBERTS: Gander.

I believe the gentleman from St. John's East, that great intellect was chairman of the committee.

AN HON. MEMBER: Not the one where somebody tried to light a fire.

MR. ROBERTS: No. They burn down the Gander Hotel during annual meetings.

There was a Tory Policy Convention - was it at Gander? The gentleman from St. John's was chairman of it.

AN HON. MEMBER: St. Mary's Hall.

MR. ROBERTS: St. Mary's Hall, was it? Is that the one where the present Premier was made leader?

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Right! That is the one where a number of other people were not made leader.

Now, Mr. Speaker, there was a Tory annual meeting and one of the resolutions passed there was that a standing committee on the public accounts be established. Well in May, 1970, that was the opinion of the then opposition and certainly they could not be held responsible for not implementing it, they were not the government. In due course, in the course of events, they became the government.

On April 19, 1972, that was after the infamous Saunderson's election but after the election in which they had quite a good majority, thirty-one or thirty-two or thirty-three or whatever it was, the speech which His Honour read opening that session said among other things: "My government will request the setting up of various internal committees composed of members of both sides of this honourable House, including a public accounts committee." It goes on to name a number of other committees.

The Tories gave every impression of carrying through on their platform, their stated promise, their stated goals. Subsequently, shortly thereafter on May 2, 1972, the House resolved unanimously without debate to appoint a select committee on the public accounts. Five honourable members were named to it: The Member for Trinity South, who I think was then a backbencher and who is now the Minister of Rural Development, when he is around; the Member for Harbour Grace who then, as now, sat as a private member; the Member for Fortune Bay, the present Minister of Finance, who I believe was still a minister - no, I am not sure whether he was Minister of Economic Development or not; my colleague from Bell Island and the practice was followed to let the opposition designate the chairman. The chairman was the honourable gentleman, my friend from Labrador North. The committee were appointed.

My colleague, the Member for Labrador North, certainly if it is necessary, will say just what happened. As I understand it, the committee met twice. They did appoint a secretary, Mr. Colin Baird, C.A., a prominent chartered accountant. He practices here in St. John's under the firm name of Baird and Baird.

There were two meetings. The first meeting had a reasonably good turn-out. At the second meeting, my friend from Bell Island appeared, the gentleman from Labrador North appeared and I am told that was it.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: The present Minister of Finance, I am told, did appear, be it a short or long time.

The minister may speak in the debate. I am passing on what I am told. The minister I would hope will get into the debate.

That was the end of the public accounts committee. In due course, that session was prorogued and, of course, the committee being a sessional committee, dissolved with it.

I would imagine we could have quite an interesting little argument as to where the responsibility should lie. My colleague, the Member for Labrador North, said then and has said subsequently in the House and outside that the House by that stage had adjourned for the summer and members had indicated that they would not come to a meeting.

They were not available for a meeting. I was not at any of the meetings, I have no knowledge. I can only pass on what I have been told and I do. That would put that committee in a similar position to the committee on public accounts which was appointed during the last year or two of the Smallwood Administration. I was on that committee, Sir, as was the then Member for Port au Port, Mr. William Callahan, and now the Editor of "The Daily News" here in St. John's and I believe the Minister of Justice also sat on that committee. We sat to work with a will and a-half, we were well on into our work when the House was prorogued and subsequently dissolved. There was a general election. The Member for Burin was returned, the Member for White Bay North was returned, the Member for Port au Port as he then was met an unhappy fate at the polls. Your Honour may have some knowledge of that fact. Then that committee lapsed with the prorogation and dissolution and its work came to naught.

Now, Mr. Speaker, we could go on at any length one wants about what went wrong in the past and what the committee should or should not have done. I, for one, feel that the Minister of Justice as he now is and myself and Mr. Callahan did go a bit astray in 1971, I think, it was on that Public Accounts Committee. We set out, in effect, to rewrite the Revenue and Audit Act. It is now called the Financial Administration Act. I think it was foolhardy of us, overly bold, overly ambitious and not the job of a Public Accounts Committee. We set out to do it. We had gone quite a long way towards getting some preliminary points established and getting well into the body of the work when the usual faith of a democratic government intervened and we had to face the electorate and it went on from there.

My concern is to make sure that a committee is set up now. That it has, I do not specify a number of members, it could be five or seven, and if any honourable gentlemen wish to amend it, I suppose such an amendment would be in order. If no amendment is made, I believe, it has seven members, although our rules do speak on the point and the rules

would supervene. The tradition is that a member of the opposition be appointed as Chairman of it. I would hope and expect that tradition will be continued. It is a tradition here, even more than that, it is a tradition of well established authority at Ottawa.

Mr. Speaker, the page seems to be in a conspiracy. I mean, I know we only have one and he has a lot of work to do but can a fella get a drop of water? I know the page is working, I mean, I am not implying he is down trying to get his unemployment insurance but - Thanks very much.

Mr. Speaker, my concern is where do we go from here?

AN HON. MEMBER: Go out and get the fresh air!

MR. ROBERTS: The fact remains that in all the years since Confederation under both the Liberal Administration and the Tory Administration we have not had a functioning Public Accounts Committee. I think, we should have one. I believe, we should have one. I hope that all members of the House, every honourable gentleman will agree with me. I think there is a very great job of work which could be done by the committee. I do not think it is their job, Sir, to rewrite, what used to be called, "The Revenue and Audit Act", I believe, it is now called "The Financial Administration Act", call it what one may but it is not their job to rewrite the basic financial legislation governing the control of the handling of the public funds of this province. I think, if the House wishes to tackle that job, I think, we should set up a select committee for that purpose. I do not think we should do that incidentally the legislation we have was updated a year or so past, it seems to function fairly adequately. It has defects but these will be corrected by amendment from time to time.

I think that the function of the committee is to take the Report of the Auditor General, who is our servant in this House, reports to the House, answers to the House, and can be removed only by the House.

Mr. Speaker, I have a good voice and I am able to use it but honourable gentlemen beyond the House in the lobbies are being unusually loquacious and

unusually loud.

AN HONOURABLE MEMBER: And rowdy.

MR. ROBERTS: Well, it is too early in the day for them to be rowdy but I mean could they go into their common room if they are going to be that common? Mr. Speaker, -

AN HONOURABLE MEMBER: That does not mean you, "Joe".

MR. ROBERTS: No, I am not referring to the gentleman from Labrador West. He is having a drop of coffee.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Well, that is his best view. Mr. Speaker, as I was saying before these slings and arrows of outrageous fortune are hurled at me from all sides, my friends, my political foes. There are a number of matters I suggest the committee could look into. I think we could take the most recent report which is for the financial year ended 31 March 1973 and there are a number of points which the Auditor General brings to our attention as a House of Assembly in his report in which he suggests all is not well. I think the committee could send for witnesses to go into these matters to get to the bottom of them because the significance of what the Auditor General reports, Sir, let us be clear on that, the significance is solely with the fact that money has been spent without proper legislative sanction be it prior or be it subsequent. That, Sir, is what the Auditor General's job is. That is his job. It is not his job to inquire whether a given sum of money, whether we should spend \$1 million on roads or \$100 million on roads. That is a matter for the House to determine when the estimates are passed and when the necessary supplementary supply is passed. That determines where the money is spent and how much is to be spent. We decide that as a House. Practice, that means the government, practice that in turn means the Treasury Board and given a strong Minister of Finance that we had for a couple of years before the present minister assumed office, the Minister of Finance would have a loud voice in that.

That is not the Auditor General's job, Sir. It is of no concern to him whether the people of this Province spend \$100 million on a Confederation Celebration or \$1 million. His concern is simply to make sure that money that has been spent has been authorized by this legislature. That is his job as Auditor General. That is his sole function. In his report he has

raised a number of questions, a number of points where, in his opinion and he cites his evidence, money has been spent contrary to legislative authorization. That is what the document is all about. Many of these, Mr. Speaker, there may have been a perfectly straightforward explanation, the mere fact that money is spent without being properly authorized by legislation does not necessarily mean that it has been robbed or stolen or misapplied or wasted or anything else, it means that this House has not approved the expenditures.

I would submit that it is the job of the committee to inquire into the report of the Auditor General, to send for witnesses, to send for officials, to send for papers and then to see what has been done and to see what lies behind it, should further action be taken, has action been taken where it is necessary and then to report back to this House. In addition, Sir, the committee has a mandate, it has the same mandate at Ottawa to look into other matters it wishes to raise. The Auditor General can raise matters. The committee has a right to check into other matters it wishes to raise.

Now, just let me refer briefly to the most recent report. It was tabled here in this House earlier this session, the report of the Auditor General. Let me just refer to a number of the paragraphs in which he makes comments that I submit should be looked at by a committee. Paragraph 33 deals with the matter of collection of some revenue and timber royalties. The Auditor General makes a comment that the department does not have adequate procedures for the subsequent collection of amounts due resulting from cheques returned N.S.F., non sufficient funds. "My staff (the Auditor General's staff) have cited examples of this to officials of the department and requested that written instructions be prepared detailing the procedures to insure collection." So the committee when it was appointed would simply send for the deputy minister of the department. It would say; "Deputy Minister with reference to paragraph 33, what have you done?" and if I then say to the Auditor General or one of his staff. "In your opinion, is this adequate, are we protected now." We will get a report.

The committee cannot make the government do anything. All they can do is report back to the House and to say what they have found.

Paragraph (34), 'The weaknesses in the system of internal control, water power rentals, a little over \$1.1 million.' The Auditor General says, 'The audited revenue from this source disclosed the following system weaknesses. It goes on to a number of detailed comments about the way this rather large sum of money is accounted for or not accounted for.

Paragraph (36) refers to \$100,000 penalty which has been imposed upon Bowaters Limited under legislation but which, by virtue of an Order in Council dated October 19, 1972 - I am sorry, that was the one which imposed it or which informed that it was imposed but no further action was taken. No further action has been taken as of the time of this report. Again, what action has been taken? Have Bowaters paid the \$100,000? The Auditor General went to the Justice Department to ask for an opinion. At the time of his report he had not received an opinion. Has he received one subsequently? What does it say? It is \$100,000 that should come into the public chest. It is under the act that they have to pay so much a cord for export.

There may or may not be something wrong. I do not know. There is no allegation that Bowaters have attempted to rob \$100,000. There is no thought of that. It is simply a question of sloppy procedure, sloppy controls and action being taken to correct them.

We could go on. Paragraph (40), subhead 4-06-01 - general contingencies entertainment. Expenditure charged to this subhead includes an amount of \$517 paid to the Act III Restaurant, Arts and Culture Centre, St. John's, as the cost of a dinner for the Progressive Conservative Caucus. In my opinion this payment does not represent a proper charge against public funds. I think most honourable members, Mr. Speaker, would agree that to pay \$517 to a very expensive restaurant for a dinner and presumably all that goes with it, is hardly a charge against public funds because with thirty of them at \$517, that is about seventeen dollars or eighteen dollars a head. They had a pretty good meal and quite a few drinks for that.

Now, in any event the money was paid out. The committee would have the power to find out, first of all, whether that money has been repaid.

Obviously it should be repaid. The treasurer of the Tory Party - who is it, Dick Green officially treasurer? He is the bag man? Then, who is the treasurer? Don Dooley, Mr. Dooley.

AN HONOURABLE MEMBER: The liquor expert,

MR. ROBERTS: Yes, he handles all those liquor agencies. Don Dooley, the treasurer of the Tory Party, should, if he has not already, should draw a check payable to the exchequer account for \$517 and he should send that forthwith with a little note saying, "Dear Exchequer Account or dear comptroller, dear Mr. Martin, please find enclosed herewith a check from the Progressive Conservative Association for \$517. We submit this to reimburse you for the money which inadvertently was paid on our account. Or was it inadvertent - that, Sir, is something the committee would have to find out as well because although Your Honour may not be intimately familiar with it, that amount could not have been paid by the treasury, a check could not have been drawn unless somebody signed a voucher form. Now, that is the interesting thing.

In comes a bill from it does not matter where, whether it is sent down from the eighth floor or whether it is sent in from the Arts and Culture Centre or whether it is sent in by the postman, it does not matter, into the **disbursement** section of the Department of Finance there comes a bill, Arts and Culture Centre, one dinner party, \$517. Nobody in the treasury, Sir, under the controlled system that has been in effect in this province, I do not know, certainly since commission of government days, the one Jim Thompson and Walter Marshall designed back in commission days or whoever did design it - these are the two men I first knew in connection with it, the controlled system is that nothing can be paid unless (1) there is a voucher to authorize it and (2) there is a subhead against which it can be charged.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Yes, Mr. Walter Marshall was quite properly, quite strict on it. So he should have been. That control is the heart of this House's control over expenditures. It is very simple, if there is a subhead against which it can be charged and if there is a voucher authorizing it, I would assume there was such a voucher, if not, some official in the **disbursement**, the check paying division of the Department

of Finance should be on the carpet. I mean if we have officials down there who are in the habit of sending out checks without vouchers to cover them. then we should know about it because it is only \$517. Maybe next time somebody will send George McLean half a million for walking money or anything could happen. I mean, that one control is the heart of the legislative control over the expenditure process.

That is why the Deputy Minister of Finance is also comptroller. That is his more important title. That is really the title to which he is appointed and paid,

Comptroller of the Treasury. He is not paid as Deputy Minister of Finance. He may be getting an addendum. I know when Denis Groom was there he was paid a total amount which came from two subheads, by vote of the House. But, I believe, now that Mr. Martin is paid only as Comptroller of the Treasury. You can look it up in the estimates, Mr. Speaker.

So that is the key to it. A voucher. Now was there a voucher for that \$517.00? If so, who signed it? Because whoever signed it will have to answer for having authorized an improper expenditure. And that gets to be a more serious matter now. Who did sign it? Did the Premier sign it? Did someone on the staff of the Premier's office sign it? Did the Minister of Finance sign it? Who signed it? Where is the voucher? That is why it is so important to have the power to send for papers. After all the committee represents the House and the House, in theory, at least, Sir, controls the government. The committee must have the power to send for the officials and say; "Bring with you please the voucher, the papers in connection with this expenditure or any other." Then when we know what action has been taken, we know what the situation is, the committee will be in a position to say what further action, if any, should be taken. It goes right to the heart of the whole process, Sir, the whole process of legislative control of expenditure. I would think that particular little item, I have no doubt it was a grave error.

The bill comes into the Premier's office, the boys had a bit of a party over there. That is fair enough. I do not begrudge the Tory Party a meal at the Arts and Culture Centre, if they want to pay for it themselves.

MR. NEARY: It was like the bulldozer.

MR. ROBERTS: Right! It was like the bulldozer. We will come back to the bulldozer.

But if they want to have a little party at the Arts and Culture Centre, that is fine. I mean, you know, it is a free world is it not? But when it comes to be paid by the government of this province then, Sir, that is too much. If it was a mistake, fine but if it was

not a mistake, again I want to know why. If it was not a mistake it represents a conscious attempt to defraud the people of this province. It was not a proper expenditure. What I want to know, was it repaid?

The same with the Power Commission. At one stage the Tory Party owed the Power Commission, after the interesting events in Hermitage, owed the Power Commission a couple of thousand dollars which they had run up.

MR. CROSBIE: He owed the telephone company.

MR. ROBERTS: No, I am not aware we owe the telephone company anything.

MR. CROSBIE: They were on "Open Line".

MR. ROBERTS: I am not aware - we owed Abe Godwin some money but Abe Godwin is not a crown corporation unless the Tories have done something I do not know about.

MR. NEARY: A Tory representative down in Harbour Breton -

MR. ROBERTS: But now, Mr. Speaker, we owed Abe Godwin some money, sure we did. We paid him. We paid him well, whatever his bill was. Abe Godwin did not raise it on "Open Line" it was one of the few Tories left in Harbour Breton after the election.

But in any event, Sir, the Power Commission were owed a couple of thousand dollars by the Tory Party for accommodation which they provided at Camp Boggy, the camp in behind St. Alban's. The Power Commission rent out that accommodation and provide meals. They provided them to us as well. It is quite cosy, Your Honour, on one side of the dining room there would be three or four of us valiant freedom fighters and on the other side there would be eight or ten ministers and flunkies and helicopter pilots gobbling it up but all of them, in theory, at least, Sir, being paid for by private groups such as political parties.

We paid our bill. We had to take up a collection. The Member for Labrador North, Sir, had to give practically his last dollar bill, as a matter fact, he has a five year old - how old is little Mellie? Five or six?

MR. WOODWARD: Seven.

MR. ROBERTS: He has a seven

year old son, Sir, and the poor little fellow's baby bonus had to go into the kitty to pay for the stay at Camp Boggy. The Member for Twillingate had to take a day's revenue from the 'M.V. Twillingate' and put it into the kitty. The gentleman from St. Barbe North, Sir, well, I will not say what he had to do. In any event, the point is made. The point is made. Public funds should not be used to pay party expenses.

Paragraph (42) on the Arts and Culture Centre, talks about the ways in which monies derived from the operation of the Arts and Culture Centre are not being handled in accordance with the Revenue and Audit Act. It refers to a total of receipts and disbursements of about \$75,000. A fairly large sum of money, Your Honour, to have floating about without proper control.

(45) refers to an expenditure of \$244,000 which included \$24,000 which were made to companies for the production of slide presentations for six government departments. Of course, this was the infamous George McLean rip-off or one of the many infamous George McLean rip-offs. Mr. McLean or his company was paid \$24,000 for producing slide presentations for six government departments. The bills submitted by the company, there is no question of who signed the vouchers here, it was my friend from St. Mary's. The bills submitted by the company to the Department of Education and Youth were approved for payment by the minister, so the minister's initials or name or something is found on them. I mean, it is straightforward insofar as it goes.

The Auditor General goes on: "In conducting our audit of these expenditures we, the Auditor General, we were unable to determine; (1) whether or not there was a contract with the company to produce these slides at an agreed price; (2) what the slides were used for; (3) where the slides are at the present time." The date of that was the date of his report, January 31, last. Eleven months ago.

Why the cost of producing slides for other departments of government was charged against the appropriation of the Department of

Education and Youth? Why should the Education Department have to pay for, for example, the Highways Department? Some of those were those terrible things of little cars going in and out. The minister was not the minister at the time. He may have seen them on the television. Little cars going in and out and the slide presentations or film presentation?

Then the Auditor General concludes his list of things he was unable to determine by saying whether in fact the slides were ever received by the government.

Now, here is a juicy little item. It is only \$24,000 it could be said. It is only \$24,000 but it would appear from what the Auditor General was able to find out, and remember, Mr. Speaker, the Auditor General has the right to go into a government department and to send for papers and books and to get information and documentation. As a matter of fact, unless it has been changed, a copy of every Order-in-Council authorizing an expenditure or every Cabinet Directive or Treasury Board Minute authorizing an expenditure is automatically sent to the Auditor General. Automatically.

Mr. Channing, the Clerk of the Council and Mr. Young the Secretary of the Treasury Board, unless their instructions have been changed, these are standing instructions.

The Auditor General has a right to become involved in the internal workings of the administration of the Government of this Province and he is unable to find out whether the slides were even received by the government. So, Mr. McLean's company - we know they got the \$24,000 but nobody knows whether they did anything at all for it. Maybe they did, maybe they did not. We know the minister authorized it and so the Minister of Education and Youth should be made to appear before the committee and to testify. Did he authorize it? If not then that ends that. If he did, why? Then maybe he could tell us whether there was a contract and what the slides were used for and where the slides are now.

We paid for them. The people of Newfoundland paid for them. True, you could say, Your Honour out of \$750 million or whatever our

total gross expenditure will be this fiscal year, \$24,000 is not much, but, Sir, if there is \$24,000 how much more is there? \$24,000 in itself if it is improperly spent should be recovered.

Remember the Auditor General is not saying that Mr. George McLean should not be hired. We say that because we think the man is the worst kind of political patronage. That is not the point. The point is that the man or the company, let us say the company, were given \$24, 000 of public funds with the written approval of the Minister of Education and the Auditor General cannot find out why. Now the minister owes the people an explanation, he owes the committee an explanation and it may be that Mr. McLean owes the government \$24,000,

although it will be a frosty Friday in Hades, Mr. Speaker, if we ever get that money out of Mr. McLean or his company.

The Auditor General makes a recommendation with respect to this curious state of affairs. He says with regard to the foregoing: "In my opinion:(1), there should have been a written contract between the government and the company for the production of slide presentations." The next time they want something from McLean they should not just ring up and say, "George, buddy, how about doing some work and send us the bill?" More than likely what happened was that they said: "George, buddy, we will get you some money, do something for us, send us the bill and we will send you the money."

In any event the Auditor General recommends that there should be a written contract. That is a fairly straightforward and reasonable recommendation indeed.

It goes on: (2) "The Department of Education and Youth should not have charged its appropriation with expenditure relating to the production of slides for use by other government departments." The minister should be heard to say why that curious state of events was.

Mr. Speaker, are we next going to have the Department of Health paying for the cost of sending the Minister of Finance around the world. Are we going to have the Department of Education paying for the cost of paving a road in St. Mary's District. That makes a mockery of the whole financial control system of this province and this legislature.

But yet, \$24,000, it would just as easily have been for anything. It was not proper to have it paid by the Department of Education and Youth. They should not have done it just because they were trying to pay off Mr. McLean. That is all they were trying to do.

(3): "The Department of Education and Youth should have not applied to the Department of Finance for an issue of public money to pay the cost of these slides without certifying, as required by Statute 52 (1)(A) of the Revenue and Audit Act, the goods had been received." I have gotten a new flaw in the system. How big is the flaw? The government, in the course of a year, Mr. Speaker, buys tens of millions of dollars worth of goods. Can these be paid for without somebody certifying that they have been received? Not according to the Revenue and Audit Act. It says quite categorically: "Before a voucher can be issued, a responsible official has to say we got them." We got it so you can now pay for it.

The Minister of Education and Youth should be heard to say why he authorized this payment without even making sure that the goods had been received. It is bad enough that they were done without contract. It is bad enough that the department was paying for things that it should not have paid for but apparently there was no effort made to find out whether they had been received or not. As a matter of fact, I am not aware to this day, whether in fact they have been received to this day. They may have been or they may not have been. I do not know. Maybe next year's edition of the Auditor General's Report will comment on that point.

(4): "The Department of Finance should not have issued a cheque in respect of the application received from the Department of Education and Youth since it was not properly certified in accordance with Section 52 (1)(A) of the Revenue and Audit Act." Somebody should then have a look at the Department of Finance. They did the same thing here as they did in connection with the Arts and Culture Centre. They send out cheques to pay bills without proper authorization. Now are these the only two examples?

Remember, Mr. Speaker, the Auditor General does not audit every single transaction. In the course of twelve months, I would not be surprised if the government had several hundred thousand transactions, in-and-out entries on journals of one sort or another, maybe more than that. If there are 30,000 people receiving cheques from the government for payrolls that is 360,000 entries right there and more than that now because we are being paid twenty-six times a year. I suppose there are several million entries. Then every thing the government purchases, every payment they send out and then all the cheques that go out from the Department of Social Services each month, all of them, cheques sent out from the government - Is our Department of Finance now in the habit of sending out cheques without somebody checking. The Auditor General has found at least two examples. All he does, of course, Mr. Speaker, is sample. That is the auditing technique. He makes a test. He may take every one hundredth voucher. I do not know how he does it. He makes a test. He has found at least two examples.

Interestingly enough, there is a common thread between these two examples. Each of them involves the Tory Party. Each of them involves favouring the Tory Party with public funds; one a payment to Mr. McLean or his company, the Tory advertising agency; the other a payment in behalf of a great big wine and liquor and dinner party, attended solely and only by the Tory M.H.A.'s in the House. Was there any undue pressure? I think that that is a question the committee could ask the finance officials. Are these the only two that were approved? If so, is it a coincidence that these two benefit the Tory Party improperly using public funds? If they were not the only two approved, then what is wrong with the system and what changes should be made? It is a fertile ground for the committee, Sir, to look into. That takes me up to paragraph 45.

Paragraph 50 refers to payment to the Royal Canadian Mounted Police, more money than should have been paid to them under

contract. Again this is an improper proceeding. There is no suggestion here of impropriety. It is just a matter that the government are paying more than they should have paid.

It notes also the fact that as of that point, the end of January last, this year, two courts for several months were in arrears in submission of their monthly reports and remittances to the Department of Justice. Now, Mr. Speaker, this could be a serious matter. Within the past five years, one magistrate has been sentenced to jail and one court clerk, I believe, got a jail sentence, I am not sure. At least two men, among the hundreds responsible for handling money in the courts, have fallen afoul of the criminal law. In each case, they have been prosecuted and in each case a penalty was imposed after they were found guilty.

Here we are, just ten months ago, there are still two courts which are in arrears in their reports. I am not saying that there is anything wrong. I do not know. That is

the point, Mr. Speaker. I do not know and nobody else can know. The Auditor General cannot tell us. That is why he points it out. It is a fair amount of money.

One court had a balance in their bank account of \$24,000 in round figures. Another had a balance of \$87,000 in round figures. There is no way to know whether this is the full amount or not. Let us assume it is. Mr. Speaker, unless the procedures are followed we have no way to be sure of that.

Paragraph (52) - the Auditor General referred to the curious arrangement which he previously referred to. I guess we were guilty of this. It is still going on. The lawyers in the Department of Justice still have a little account down there in which fees that they earn for services to government agencies are deposited. Then out of that money is spent. The Auditor General says that these funds in his view should be deposited to the credit of the Newfoundland Exchequer Account.

Some interesting monies have been spent out of it. Money was lent from this fund to cover an office staff Christmas Party. The loans were repaid as luck would have it. The sheriff of Newfoundland was given an advance of \$1,500. In due course the sheriff returned the amount. He was given it to enable him to pay anticipated trial expenses related to a criminal case, a perfectly proper subject of expenditure.

The Auditor General is saying and he is right, that it should not be paid for out of this fund. In fact the fund should not exist at all. This money should have been paid out of the regular subheads of the Justice Department. A loan of \$3,000 was made on October 13, 1972 to the police department to enable that department to carry out certain activities. This loan was recovered on August 28, 1973. Now, what in deuce is this? What are the police department doing with \$3,000 of public money that has not been voted by the legislature? I do not know. I have not got the least idea. It may or may not have been proper. I assume it was. What are they doing with this money. If they need the money to carry out **their** police duties as well they might, then surely,

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Mr. Speaker, the government can put it in the subheads, in the estimates and the money can be paid out to them and handled from there.

Paragraph (56) refers to a payment of \$420,000 to the University without any appropriation. The payment was for a proper purpose. It was to the university with relation to the construction of the Thompson Student Centre. The point was that the money was paid without any authority being voted prior to the payment or subsequent to it by this House. As luck would have it, it was a proper payment but it could as easily have been, say, to George McLean because once the control is broken. Mr. Speaker, we, the House, have lost the right, have lost the ability to control expenditures out of the public treasury. It is shameful.

The Newfoundland and Labrador Housing Corporation were caught at a very old game of some giggery-pokery to try to conceal the fact that they had not spent about \$800,000 which had been appropriated to them. Your Honour is aware that if a department does not spend the money which they are authorized to spend by the end of the fiscal year, March 31, the balance drops. Well, a little giggery-pokery down here at the Housing Corporation involving \$300,000. So, in effect, Sir, the Housing Corporation had \$800,000 more to spend than they were authorized to spend by this House. Not improper, no question of impropriety but a very grave and real question of the control of this House over expenditures.

The Highways Department, paragraph (65), contract without public tenders or formal contracts, eight projects, \$1,100,000. I think the officials should be asked, summoned before the committee. Who authorized these contracts? Why were they given to a given company and not another? Another six projects involving \$3.8 million, there were contracts but no public tenders. Again why does one company get selected? Were any of these given to our friends at Babb Construction? They got contracts without public tender on the Carbonear hospital when the present Minister of Finance was Minister of Public Works. We never had that one satisfactorily explained. It may or may not have been proper. It certainly has never been explained.

The Auditor General concludes that in his opinion section (51)

of the Revenue and Audit Act was contravened in that commitments for the payment of public money occurred which were in excess of the appropriation approved by the legislature.

Another one, again in the Highways Department. Apparently their system of controlling payments is a little weak. They have paid a \$22,500 invoice twice. Again as luck would have it, the Auditor General discovered it and the money was recovered. Otherwise, it would have been gone down the drain. The same invoice, the same payment, the same purchase was paid twice. Has the department acted to set that straight? Do they now have a procedure whereby this sort of thing cannot happen again? A valid question.

The curious situation of the paint used in the 1972-1973 year. I wonder if that has any relation - I would like to know who is the agent for the paint. I wonder who it is. I do not know. Paragraph (70): "Highways painting costs in excess of original contract."

A contract for the supply of 1972-73 paint requirements as determined by the Department of Highways for highroads line marking, etc. was awarded to the second lowest tenderer for a total price of \$82,018. The first question is why the second lowest tenderer? There may have been a good reason or there may not. There was a reason. What I would like to know is what that reason was so that people can judge whether it was a good one or no. I suspect the answer will lie with the name of the supplier or the name of the agent for the supplier. The note from the Auditor General goes on, Sir, "The quantity requisition was insufficient and three additional purchase orders were issued to the supplier during the season, no more tenders. The company had been second on the tender originally. He had got the business and then three more orders were given and they were not for small amounts. You can see it if there were just a few gallons more needed to finish painting the line along the Trans Canada Highway, if there was a mile or two not done. No, Sir, the original quantity of paint ordered was 28,000 gallons approximately, so says the Auditor General. The additional orders covered 17,440 gallons, well over sixty per cent of the original order. What is this all about? Is somebody getting a little pay-off on the side? Was somebody being rewarded for some reason? I do not know but the suspicion is there and until a committee on the public accounts can send for the officials and send for the papers, we will not know. Maybe the committee will be back and report that it was just an error, an understandable error, an error without any malfeasance and there the matter rests. Until it is looked into, Sir, the suspicion is there and the Auditor General's job is to report these things to us and that is why he did it.

He goes on because there is more than just a little underestimating and more than giving it to the second lowest tenderer. "Increases in price per gallon were incurred in the three supplementary orders and the cost of these unit price increases above amounted to \$11,540. The total increase in the cost of traffic paint purchased for the year over the cost of the quantity originally requisitioned was \$59,397. Now, is this a little deal? Is somebody getting paid off? I do not know, Sir, and I certainly do not say it was but I ask the question. This Auditor

General's report was made public nine or ten months ago. The then Minister of Finance, the gentleman from St. John's West tabled it in the House. Since that time there has been no word publicly to deal with this. Nobody in the administration has acted in the least to dispel the obvious and inescapable inference that there was some hanky-panky. Now what was the situation? Is it the same as the George MacLean slide photos? No, at least they got the paint but they got it by being second lowest on a tenderer and then a marvellous little deal. I can just picture it now, tender for the first lot and we will increase it afterwards. 28,000 gallons given to the second lowest tenderer; 17,000 gallons then given in subsequent order without any tenderer and at a higher unit price. There is some more comment on the Highways Department and the traffic lines.

The minister should really have a look at his officials down there whoever is in charge of the traffic line. The minister should hear this. I do not know if he has read the comment or not. The 1972-73 requirements for painting of traffic lines by contract were determined by the Department of Highways to be, mileage to be covered, 815 miles; paint required 18,500 gallons. On the basis of these specifications tenders for painting services, now that is not the paint, we have already had a little deal on the paint, the tenders for painting services were issued and the bid for applying the paint at the rate of \$3.25 per gallon was accepted. We do not know whether it was low or not but that was the bid that was accepted, the Auditor General says.

However, by the end of the season only 600 miles approximately in highways had been covered, not 815, 600 were covered. Remember, Mr. Speaker, they wanted 800 miles of lines to be painted and they were going to use 18,500 gallons of paint. That is about 2.15 gallons per mile. I am sorry, more than that,

twenty-one point five gallons per mile. I am doing arithmetic in my head and I do not claim to be a calculating wiz. But let us take, the ratios will hold true, twenty-one point five. Lo and behold! What happened? Remember whoever the lucky fellow was who got this contract was being paid not by the inch nor not by the yard nor not by the centimeter nor the meter under the new metric system but being paid by the gallon slapped down. Only 600 miles had been honoured by having a coat of paint placed upon them, the little lines, the traffic control lines. But 31,565 gallons of paint have been used, fifty gallons a mile. What a lovely - you know, I do not know if it is appropriate here or not but it is certainly relevant. The Salvus Commission in Quebec was set up by Monsieur LaSage and his administration to look into the hanky-panky of the Union National Government in the early sixties. The Salvus Commission found that one of the great rip offs in Quebec, in the Duplessis years, and if history is any judge of, that is saying a lot, Sir, one of the great rip offs was in paint contracts. A minister went to jail over it, a foreign minister, Monsieur Joseph Begin went to jail for being involved in rip offs involving paint.

Now that is why I get suspicious. The Auditor General has pointed out a very curious set of facts regarding the supply of the paint that goes on the highways. The amounts in themselves are not important nor is the subject. The important thing about the subject is getting them down and the Safety Council complained, drivers complained and people all over the province complained. The important thing in this, is that, in almost every aspect the department's handling of the purchase, an application for paint, was questioned by the Auditor General and no reputation has been made. There may be one. I would invite any honourable minister or any honourable gentleman for that matter who has it in his possession to give us that reputation, to give us the explanation.

There is a reason whatever it is. There is a reason for this state of affairs. Were there some little friends getting

rewarded, supplying the paint and then being taken on ? The minister shakes his head. I mean, he will have to stand and say it and the committee then will have to look into it but it is the committee's job, and a proper job. I submit, one of the reasons why there should be a committee. Who got the contract? Why was it given to the second lowest bidder? Why? And why, Mr. Speaker, was he then given three contracts for sixty per cent more, at a higher unit price? And then why was somebody hired to lay paint at so much a gallon? They figured twenty-one gallons a mile would do it. It came out that he put down fifty gallons a mile, being paid by the gallon. Instead of getting sixty dollars or seventy dollars a mile, he got one hundred and fifty dollars or one hundred and sixty dollars a mile.

You know, not a lot of money but too much if there were crookedness. One cent is too much if there is crookedness. The only way to find out is to have the report of the Auditor General and have the matter looked into. Get Mr. MacDonald, the Deputy Minister of the Department, the permanent head, Mr. Gordon MacDonald he is responsible in law for the expenditures of that department or Mr. Knight if he were the deputy minister then, have them before the committee or bring up the accountants, bring up the vouchers. Who authorized these things? We have a right to know.

Mr. Speaker, the Auditor General makes a number of other references. I could go on. If any honourable gentlemen wished I would be delighted to make some references again to the weakening of control of the House over funds.

Now, Sir, all governments, I suppose, do things differently in power than they did in opposition. There seems to be a great change that comes over a crowd of men whether they are on that side or this side of a House. I am certainly not going to say that the cabinet of which I was a part were perfect. If the debate is to proceed on that level, we will have an interesting debate which will be completely sterile of any benefit to the people of this province but we can have it and when

I speak in closing the debate, if that is the tenor the debate is taking, I shall join in with a heart and a-half but I hope we do not have that, because it would be sterile and counter productive.

What I want is a committee set up now to deal with it. I want a committee set up to look into this. I referred only to the most recent report, the report on the current year (The year ended 31st. March, 1974 and it has not yet been tabled. The year ended six or seven months ago) which should be shortly coming into the hands of the Minister of Finance and he is required to table it immediately. I think the law is fifteen days is it, or something?

anyway he is required to table it very quickly. He has no choice. This is the most recent report we have. We can go back through all of them. In years past, they tend to be even thicker because the public accounts were bound together with the report of the Auditor General. That no longer is so. In years past, there may have been more paragraphs. There was one year, Mr. Howley, the Auditor General, who is doing a magnificent job - Mr. Howley succeeded in drawing the ire of the deputy minister of the day and the administration of the day and it ended up in a confrontation here in the House, with the deputy minister and his officials over there and the auditor general and his people over here in a thundering, great row. It came to the sum total of nothing. Leaving aside the points that the Auditor General had quarrelled with and he had a right to quarrel with and so forth, the deputy minister, the comptroller and the Auditor General differed substantially on accounting practices. One could take whichever view one wished to take. In any event two honest men, expressing their honest opinion differed. It is not an uncommon proceeding in the world.

I am concerned now with going on from here.

I would like to see the Auditor General's committee look into the use of government aircraft. My colleague from St. Barbe North has a question on the Order Paper about that. I was told that the Premier had the private use of a helicopter this summer. For two weeks he came down to the Gander River each day. He was sort of staying there as the people's guest for two weeks at the cabin and each morning the helicopter, given fine weather, would come and pick him up and carry him off fishing. Now if that is so, I would submit that it is an improper use of government funds.

I would like to know whether the Minister of Tourism has paid back to the province any of the money which was spent to provide him with a private car, a government car for private purposes a couple of years ago. He gave the car back after it

was exposed that he had it. Has he repaid the money? The man drew a car allowance in respect of that same period, as does every minister and so do I. It is not unknown for a minister to have the use of a government car even while he is drawing a car allowance. There are a number, I suppose hundreds of precedents of that and they are all, as far as I know, perfectly in order. For a man to have exclusive use and control of a car for four months is wrong. The Premier admitted that at the time. What has been done to recover the money? It is a very relevant question.

Now, Sir, I said what I have wanted to say at this stage in the debate. I have not tried to be partisan. I could be. There is material in this for a cracking-good speech. I am more interested, much more interested, in making a motion to have a committee set up. I hope the motion will be accepted. Lately, there has been a flurry of activity. My colleague the gentleman from Fogo, who is acting as our House Leader, tells me that he has received certain communications from the gentleman from St. John's East. The Government House Leader and I would deduce from these conversations that the government intend to set up this committee. I hope so. It will not be able to get very much work done because it will lapse with prorogation. Then it should be reappointed. Under the new rules, I think it must be reappointed very quickly when the House opens early in the New Year. I do not know when it will open in the New Year but whenever it opens the House should quickly move to appoint this committee. I have not looked at the new rules, specifically, recently with this point in mind. I think it requires very quick action.

Mr. Speaker, I would hope that when it is set up it will get down to work. I propose two of my colleagues to serve on the committee. I believe that they will bring distinction to its work and that they will bring the proper spirit and a willingness to dig into this matter.

SOME HON. MEMBERS: Hear! Hear!

MR. ROBERTS: My friend from Bell Island is chairman of the committee. The gentleman from Hermitage, my friend and colleague, as the other member. I would think that these two men will - One of them has a great knowledge of public affairs and another has a great knowledge of private affairs which together, they will bring a formidable array of intellect, skill and devotion to the interests of the people of this province to bear upon this question.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: I leave my colleagues to decide which is which, Sir. I leave my colleagues to decide this.

The gentleman for Placentia West, Sir, did not even get to be No.(2) so I do not see what he is so concerned about.

I would hope the government would accept the motion. I think it is a valid subject for a House of Assembly. Members opposite supported it when they were in opposition, they supported it as a government, it was in 1972. They fell away from that high standard and in 1973 they made no action at all on the question of a public accounts committee. It never came before the chamber. In 1974 the government made no motion so I put a motion down on the eighth day of February. Here it is now the eleventh day of December, the day of the Prayer Breakfast and I am glad to see that some honourable gentlemen were praying early in the morning.

Your Honour prayed, my friend from Hermitage prayed, the Minister of Justice prayed, the Minister of Tourism, who generally is not conceded to have a prayer, in fact did pray. I did not see any other honourable gentlemen present praying although my vision may have been clouded at that hour of the morning. Any other honourable gentlemen present prayed -

AN HON. MEMBER: The Member for St. John's South.

MR. ROBERTS: Was the Member for St. John's South present and prayed?

AN HON. MEMBER: They are having pangs of conscience.

MR. ROBERTS: The honourable gentleman from St. John's South, Sir, he too has a prayer. If only he had the courage to go with his prayers he would be okay.

Mr. Speaker, I put the motion forward and I hope it will be accepted. I assume the House Leader is going to speak for the government in reply and I would hope he will accept it. If he wants in behalf of the government or if any honourable gentleman wants to play the game of "What went on in the past?" I will join in with a will and a half. It will be great fun. If they want to put the debate on those levels, let them. I have confined my remarks exclusively to the most recent report. I have all the others and

would love to get into them. It would be great fun. I would hope whether we have that kind of dickering or no the government will accept this motion that the committee will be appointed. They will not be able to get a great deal of work done now because ten months of the year have gone by.

I understand we are to prorogue when this Christmas Session adjourns, which will be about Boxing Day Morning the way we are going, and then I hope they will be reappointed early in the new year. I move the motion and I do so with every hope that it will be accepted.

MR. SPEAKER: The honourable Minister without Portfolio:

MR. MARSHALL: Mr. Speaker, with all of the talk about praying the honourable Leader of the Opposition has spent about an hour praying but really preying upon the credibility of the people of this province.

Really, Mr. Speaker, I cannot concede how the Leader of the Opposition can get up now in opposition and actually stand in his place and say; "Yes, I voted against this." He voted against it more than once, he voted against it time and time again and still retain any kind -

SOME HON. MEMBERS: (Inaudible)

MR. MARSHALL: If I may, Mr. Speaker, I would like to speak in silence or -

MR. THOMS: We wish you would.

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

MR. MARSHALL: And retain any kind of credibility whatsoever. How in the name of heavens! Now I know there are people who will be instant experts on this, who will take different stands. That great representative in Newfoundland, the Lord Thompson of Newfoundland, Mr. William Callahan will spew forth in "The Daily News" also, giving us all sorts of advice on what we should do and what we should not do with respect to this and why he took different stands.

I say, Mr. Speaker, it is a very, it is really a very sick society, that can sit back and see individuals such as the Leader of

the Opposition take a stand such as this and not hold him to his previous statements. God in Heaven! Is there no accountability left in this province at all?

SOME HON. MEMBERS: Hear! Hear!

MR. MARSHALL: The honourable the Leader of the Opposition gets up in this House and spends about an hour reading off the report of the Auditor General and he comes out as only he can do it, as only he can do it and Thank God, I cannot, he comes out with all of his partisan stuff on the Auditor General's report. I do not know if it is reaction or what it is but at the end of it says on very sonorous tones; "I hope that this is not going to be a partisan debate."

The fact of the matter, Mr. Speaker, is that we were for a public accounts committee, we were for it in opposition, we are for it in government and we heartily endorse public accounts committees. As a matter of fact, one of the first moves of this

government was to reform the rules of the House of Assembly. Consequently we have things which were unknown in this House in recent years such as a question and answer period. When we were in opposition, Mr. Speaker, you were not allowed, there was nothing provided on the Order Paper. There was no order of answers to questions or neither was there any order on the Order Paper with respect to oral questions.

AN HONOURABLE MEMBER: That is not true.

MR. MARSHALL: You had to jump up before Orders of the Day were called and you were constantly told that there were no questions to be asked because they were not of an urgent nature. When we reformed these rules and many others, one of them was a stand to provide for certain standing committees in this House.

Now, obviously the Leader of the Opposition when he was referring to it - he misses I think, the member for White Bay South. He obviously must because he did not really address himself to these rules. The first thing we did was -

MR. ROBERTS: The rules were not in effect -

MR. MARSHALL: The rules are in effect now.

MR. ROBERTS: That is true.

MR. MARSHALL: For the provision of standing committees in this House. But as with a lot of things that have been done by this government, lasting benefit will endure after this Assembly is over because these standing committees ~~cannot~~ - and all the Leader of the Opposition can do and he can read, all he has to do is read new rule 84(a) which says, "At the commencement of the first session of each Assembly certain committees will be appointed."

MR. ROBERTS: What has that got to do with today?

MR. MARSHALL: Certain committees will be appointed, Mr. Speaker, and any person who has gone through any kind of kindergarten, I suppose, in parliamentary procedure will know that a standing committee is one which stands, stays in, is constituted and remains for the whole Assembly. It does not end when a session is over as any select committee would be but it is a standing committee for the whole session. That is why it is provided that these committees will be appointed on the first session of each Assembly

and so they will be, Mr. Speaker. So in twenty or thirty years when the Liberal Party get back in power again, if they ever do, they will then be forced for the first time in their existence, they will be forced to appoint a standing committee on public accounts.

Now what do we do in the meantime? Have we changed in the meantime? One of the first things that we did when we were in government was appoint a select committee on public accounts. Now that happened to be the second select committee on public accounts, I believe since 1949, but certainly in recent days. The Leader of the Opposition referred to the other one. The first one was appointed in the dying, gurgling years of the Smallwood administration and that was appointed, Mr. Speaker, because I was a member of the Assembly at the time. The Leader of the Opposition was on it at the time because he voted against the motion time and time for a standing committee on public accounts but in those days, Mr. Speaker, when Mr. Smallwood said to the member for White Bay North, "Thou shalt serve." He did serve and he served on that committee.

What was the purpose of that committee? The purpose of that committee was to prevent us in the opposition from doing exactly the thing that the Leader of the Opposition was doing today in this new and more democratic Assembly, in other words, reading the report on the public accounts because whenever any of the members, then opposite, got up to refer to the Auditor General's report, the Premier of the Province, Mr. Smallwood, as was his wont, would get up and say, "Ah! Ha! We cannot talk about that. Mr. Speaker, because the items of the Auditor General's report have been referred to a public accounts committee and it is under consideration by the committee so it cannot be talked about by the House." Now that was the function that that committee served and that was the purpose of it.

When we got in we appointed a select committee on public accounts and I know my colleague, the Minister of Finance, who was a member of it at the time, (I know he will be wanting to add a few words,) can verify it. the fact that this particular committee met, if it met once or twice that is all it met and it was very ineffective. Now why was it ineffective? Mr. Speaker, if the opposition have any duty in this House, it is to see that

a select committee on public accounts so the standing committee on public accounts functions because all committees on public accounts have a member of the opposition as a chairman of that committee. We did everything we could at the time. We afforded the committee the professional advice of Baird and Baird, Chartered Accountants, which I do not believe was afforded by the previous administration although it may have.

MR. ROBERTS: It was not Baird and Baird. Who was it?

MR. HICKMAN: It was Peat, Marwick and Mitchell.

MR. ROBERTS: Peat, Marwick and Mitchell. It is the same business.

MR. MARSHALL: We gave them everything we possibly could with respect to it, Mr. Speaker, to operate. For one reason or another it never reported back and it never functioned.

Now, we are prepared to appoint a public accounts committee. We have always been for them. We will do it. Mr. Speaker, we are entitled and the people of Newfoundland are entitled in this House to an assurance from the Leader of the Opposition that he will do everything he possibly can to make this committee work when it is appointed.

MR. ROBERTS: I give that assurance and I will do it in writing and under seal.

MR. MARSHALL: Well, that is good.

MR. ROBERTS: I think my colleague from Bell Island will do his best to make sure that -

MR. MARSHALL: I sometimes wonder, Mr. Speaker, though, although I would like to see the Committee of Public Accounts, I wonder whether and how well such committees can function really in this present House of Assembly as it is presently constituted, because I would love to see a new election, because I would love to see the people of Newfoundland have to speak to what has been going on in here and to speak to the type of reaction that we saw today in the question period by the honourable the member for Bell Island with Your Honour.

So, the point of the matter, Mr. Speaker, is I really wonder -

AN HONOURABLE MEMBER: Inaudible.

MR. MARSHALL: There is very bad humor coming over from the other side.

I really wonder whether or not a public accounts committee can function in the present stage of the way the opposition is presently acting. We are prepared to appoint a public accounts committee. It cannot be a standing committee because the standing committees cannot come into effect until these new and beneficial rules come into effect which is the first sitting of the next session. At that time, of course, they will consider the report of the Auditor General and do the various things.

I am not going to refer at any great length, to the things that were said by the Leader of the Opposition except there are a few of them that I want to. With great glee, he talked about and engaged - he is joined in this by certain people outside this House in attempting to paint this government as if there is no change from what went on in the past or any change from the previous administration.

We heard him read out statements with respect to the calling of public tender in the Auditor General's report. Now, a lot of those things, those observations with the Auditor General's report that were there, related to items that went on for quite a period of time before that. I would point out that they did not occur within the past year.

MR. ROBERTS: \$517 at the Arts and Culture Centre.

MR. MARSHALL: I am not saying that they occurred under the previous administration. I am saying that they did not occur within the past year. So, the point of the matter is there is a great effort by the opposition and they are straining to show that there are no changes and there are certain other people around who will agree and give credence to this. There is great change in this province since this government took over. One of the biggest changes we have has been the enactment of the Public Tender Act in this province. To try to - now what is going to happen with them I do not know.

I was talking to one of the, if I may digress for just a moment, I was talking to one of the collectors of the Liberal Party the other day and it was indicated to me that they have no trouble with any funding in this province, Mr. Speaker, because there are big contractors.

They have a couple of big donors behind them. I assume they are the big contractors because do the big contractors want

the Liberals to get back into government again so that they can give out contracts like the Science and Engineering Building, so that they can give out contracts like the liquor leases that they did in times past. They are just waiting with the insurance agents, Mr. Speaker, and all the rest of them to get back on the pig's back again. This is what really they are attempting to do.

AN HON. MEMBERS: Inaudible.

MR. MARSHALL: All of these items, I am not going over all of these items, they have been reported, and they have been reported in the press before. Some of them may have foundation, some of them may not. Certainly they all merit to be investigated and to be looked at. Sometimes mistakes occur, sometimes they do not. Obviously we need a Public Accounts Committee and obviously this government have not changed its mind but do we really think, I really wonder how effective and efficient, with all due respects to the honourable the Member for Bell Island, the committee will be with him as Chairman. That will be a great Public Accounts Committee I dare say but, in any event, we are prepared to do it.

Now the Hon. Leader of the Opposition has said that we will not get much work done this year. Obviously we will not because I draw the distinction between select committees -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: I will draw the difference between select committees and standing committees. So that if we appointed a committee today what would happen is, the committee would dissolve as soon as the House prorogued. That is the way it operates under the rules. As I say we cannot appoint a standing committee. But we would be quite prepared to accept this motion on the basis that a Public Accounts Committee and a Report of the Auditor General be appointed within fifteen days, if you like, of the opening of the next session of the House, and I assume that the Leader of the Opposition would not object to that particular amendment because it is futile right now at this time to appoint ,

and if he knew the rules of the House, he would know it. Now we are prepared to do it but we are prepared to do it, and I make this unequivocal, Mr. Speaker, I want to make this point; that we are prepared to do it if and only "If" we get the assurance from the Leader of the Opposition and the Opposition who will have the Chairmanship of this committee that it will be a functioning committee and that it will function and it will not be allowed to die on the vine like the last one was.

Now that is what we required and I do not think that is unreasonable. We want a Public Accounts Committee. We want to see people in this government, particularly, individuals in the civil service where it is necessary to be responsible to the public, to come in and ask questions properly put but we do not want to get public servants exposed to the type of questioning that, with all due respects, is being used in this question period in one of the other reforms that we have put in.

I think that the Public Accounts Committee, in order to operate, has to operate in a responsible manner. I hate to say this, Mr. Speaker, but I have a certain amount of doubt whether in this Assembly you can get a committee because of the way the opposition are acting that will act that way but I hope it will. But if we get an assurance, as I say, from the opposition that is going to try and make this committee work and if we get an assurance from the Leader of the Opposition that he will see that the committee meets from time to time then we are prepared to, you know, to go along with it. But let us forget, please - Let us forget the type of thing that has gone on in this Assembly since we reformed the rules of the House. You know, the House of Assembly rules were reformed by this government and it was the first major reform for about seventy years, not just twenty-five years but for about seventy years because when government were reconstituted in 1949, the rules of the House were pretty well adopted verbatim from what existed before that. We had made these changes and we brought the changes in with a great deal of enthusiasm, and it is with an equal amount of deep and great regret and really remorse that many of

us on the other side of the House have seen them abused so blatantly
by the opposition.

Public accounts committees we are for in government; Public accounts committees we tried to constitute in opposition; public accounts committees we constituted in government. We are prepared to go that way again. But, as I say, it is about time that if we do that, I think it has got to be understood that it is going to be done in a spirit which is going to achieve something and not for the sake of perpetrating the small mindedness and the nastiness that is spewed from time to time from the other end of the House while they are in the process of abusing the positive reforms that have been made by this government.

MR. NEARY: Mr. Speaker, the honourable minister, Sir, who just -

MR. ROBERTS: Are you going to draft an amendment?

MR. NEARY: The honourable member, Mr. Speaker, who just took his seat, somehow or other is misinterpreting the method that is used for trying to pry information out of the government and through the media out to the people of this province. The minister, when he was winding up his remarks there, Sir, referred to it as being a nasty situation. You know, Mr. Speaker, the honourable minister has experience on this honourable side of the House in asking questions. The honourable minister knows how difficult it is to pry information out of the ministers, especially -

MR. MARSHALL: I would not challenge the Speaker like you did today though.

MR. NEARY: Well, Mr. Speaker, let me respond to that, Sir, by saying to Your Honour that I realize that I was riding the razor's edge during the oral question period today. If I offended Your Honour, I apologize. Maybe sometime when Your Honour takes his seat on the floor of the House and wishes to debate, perhaps then we can refer back to the matter that I maybe should not have raised this afternoon.

AN HONOURABLE MEMBER: If you offended him, you are sorry.

MR. NEARY: I already said that. If I offended Your Honour, well, I apologize.

Sir, it is not a matter of being nasty. It is a matter of asking questions and not getting any answers. There is the problem, Sir. Therein lies the problem, Mr. Speaker. We have an oral question period in this honourable House but we have no answer period. We are not getting the answers. Mr. Speaker, you could not blame members of the opposition

for getting frustrated, day in and day out putting questions to the ministers, the ministers being very evasive, in some cases, refusing to answer the questions, brushing them off by saying, "Put it on the Order Paper . So, in our frustration, Sir, of trying to get information out to the people of this province, my honourable friend and learned friend who just took his seat, has interpreted that as nastiness.

Sir, if there is any member of this honourable House who is an expert on nastiness, it is certainly that honourable gentleman. We have a job to do, Mr. Speaker, in this honourable House. Sometimes it is not a very pleasant job. Our job is to offer constructive criticism, to put forward what we think are solutions to problems, to ask questions and try and get information out to the public. Otherwise, Mr. Speaker, we might as well set up a dictatorship. We might as well go back to commission of government. We might as well just give the administration a blank cheque and just have one party in this honourable House.

AN HONOURABLE MEMBER: That is all we need.

MR. NEARY: According to the honourable and learned gentleman who just took his seat, Sir, that is all we need, just one party in the honourable House. Everybody else is nasty. Anybody who would dare to ask the administration a question or make a suggestion or put forward an idea is nasty in the honourable and learned gentleman's opinion.

AN HONOURABLE MEMBER: We are going for a shutout in the next election.

MR. NEARY: Going for a shutout?

AN HON. MEMBER: You will get it too.

MR. NEARY: The honourable minister had better get a little practice then. They had better send the honourable minister back to the farm club to get a little practice, if he is going for a shutout, because the big guns are going after him the next time.

So, Mr. Speaker, we are merely trying to do our job as an opposition and I think we are being very effective. I think the message is slowly but surely filtering out to the people around this province, and it is hurting, Mr. Speaker, it is hurting. We saw that this morning when the honourable Minister of Social Services -

MR. MURPHY: (Inaudible)

MR. NEARY: The honourable minister is still smarting under the attack on V.O.C.M.'s open forum this morning.

MR. MURPHY: I am the happiest man in the world today.

MR. NEARY: What a crucifying, Sir! But, Mr. Speaker, I was glad, even though the minister who just spoke could not resist the temptation to refer to the past, I was nevertheless somewhat pleased to hear the minister state that the administration is prepared to go along with my honourable colleague's resolution, the Leader of the Opposition, but the honourable minister did it grudgingly. The minister said that members on the other side of the House were prepared to go along with the resolution providing, providing, Sir, that the Leader of the Opposition could assure the honourable House that the committee would not peter out and that the committee would do the work for which it was established to do.

Now, Mr. Speaker, I think the minister maybe, was trying to be a little bit sarcastic there. I had the privilege, Sir, of being appointed to a public accounts committee in the last session of the House of Assembly, and as my honourable colleague indicated, Sir, the first meeting, I think four out of five turned up. I do not think the honourable Member for Harbour Grace, (I am not sure about that) he may have showed up for the first meeting, maybe not

the second. Four out of five turned up. We were full of energy and full of enthusiasm and we were eager to get to work, Sir, and proceed to try and do the difficult tasks that lay ahead of us.

Mr. Speaker, I can tell you this; that nobody in this world was more thrilled to be on that public accounts committee than myself. Can you imagine, Mr. Speaker, any other member of this House who asks so many questions, who is trying to pry information out of the government day in and day out, asking questions, getting no answers, baiting ministers in the government publicly to see if they will take the bait to try to get a reaction, to get information out to the public, Mr. Speaker, no other honourable gentleman in this House was more pleased to be chosen to serve on that committee, to have the distinct honour and privilege to serve on that public accounts committee.

I was wild-eyed, Sir, about the idea. I could hardly restrain my enthusiasm.

AN HON. MEMBER: You are wild-eyed now,

MR. NEARY: I wanted to take off my coat, roll up my sleeves, get down to brass tacks and start doing a little digging on some of the matters that have been referred to by my honourable colleague the Leader of the Opposition but there were a few notes I had myself too, Sir, a few things I thought should be looked into. I am not trying to be nasty, Mr. Speaker, I am just trying to get information for the public.

The second meeting rolled around, three honourable gentlemen

turned up, three, including myself, the Member for Labrador North, the present Minister of Finance dropped in to say that he could only stay for a few minutes, He had to run along because he had a cabinet meeting on and he had some other business on.

So consequently, Mr. Speaker, the committee really did not get off the ground. Never got off the ground.

AN HON. MEMBER: No, because he had it all rigged.

MR. NEARY: Had all what rigged?

AN HON. MEMBER: Inaudible.

MR. NEARY: Sir, have the auditors picked - Sir, there was unanimous agreement by those present that the Chartered Accountant Firm of Baird and Baird be hired. As a matter of fact, Mr. Speaker, there was quite a hassle over it, and my honourable and learned friend has the gall, you know, to talk about the committee being allowed to function. Sir, the Minister of Finance could not give us a definite decision at either one of these meetings whether or not we were entitled to hire a firm of chartered accountants.

AN HON. MEMBER: Inaudible.

MR. NEARY: The minister, Sir, had to go back to his department, he had to go back to Treasury Board, My colleague, the Member for Labrador North can confirm what I am saying. The minister had to go back, Sir, to Treasury Board to find out if they would make us a small allocation -

AN HON. MEMBER: How much? How Much?

MR. NEARY: I do not know, I think, it was \$10,000 we got out of them after.

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Speaker, this Public Accounts Committee is not to audit the Auditor General's Report.

AN HON. MEMBER: What is it?

AN HON. MEMBER: He does not understand.

MR. NEARY: The honourable minister does not understand, maybe his colleague should have been -

MR. MURPHY: He is going to tell us all about it.

HON. MEMBERS: Inaudible.

MR. NEARY: So, Mr. Speaker, the honourable and learned gentleman's reference, Sir, to the last committee was completely irrelevant.

What I would like to ask the honourable and learned gentleman is that if he can assure this House that at least one of the three Tory members on that committee will attend meetings regularly so that the committee can have a quorum. It is a committee of five, Sir, three Tories, two Liberals, of which I understand one of the opposition members will be chairman of the committee. I do not know if I can assume from the honourable minister's remarks this afternoon, Sir, that I have been confirmed as the chairman of that committee.

AN HON. MEMBER: Inaudible.

MR. NEARY: Pardon?

AN HON. MEMBER: Inaudible.

MR. NEARY: Well, Sir, there have been negotiations going on I understand over the last twenty-four hours.

MR. MARSHALL: (Inaudible)

MR. BARRY: We are waiting for Mr. Kissinger to come to conclude negotiations.

MR. MARSHALL: Inaudible.

MR. NEARY: Yes, but I am carrying on my speech -

MR. MARSHALL: Mr. Speaker, the appointment of a Chairman for the Public Accounts Committee is a matter for, because it is a matter of the opposition, it is a matter for the Leader of the Opposition to select, and I point that out in answer to the question because I would not want it to be on my head that the person who I understand is going to be Chairman of the Public Accounts Committee is the honourable member.

MR. NEARY: Mr. Speaker, then I can assume, Sir, from the discussions that I have had today that I am now the Chairman of the Public Accounts Committee.

SOME HON. MEMBERS: Inaudible.

MR. NEARY: So, Mr. Speaker, I can assume here and now as of this moment that I am confirmed as the Chairman of the Public Accounts Committee.

AN HON. MEMBER: Inaudible.

MR. NEARY: Well if the motion is passed. The motion is passed.

AN HON. MEMBER: It has run into trouble on his side.

MR. NEARY: No, Mr. Speaker, that matter has already been cleared up, Sir. It is only a matter now of passing this motion, for the government to announce the three members that they wish to appoint to the committee. Our two members have already been announced by the Leader of the Opposition.

AN HON. MEMBER: Will he state it again?

MR. NEARY: That I would be chairman of that committee, Sir.

Now, Mr. Speaker, I do not think there is any doubt, I do not think I need make the statement. It would waste my breath to make the statement, Sir. The honourable minister knows and I am sure that every honourable member on the government benches know, Sir, that as chairman of that committee that I will work the committee night and day, night and day, weekends, holidays, to get at the truth. Mr. Speaker to get at

the truth, to get at the truth, Sir, and to get the information out to the people of this province. I work night and day, Sir, night and day providing that I can get a quorum, if I can get one Tory to attend the meeting. I am sure my colleague here, the member for Hermitage, he says there is no question about it, we will have 100 per cent attendance. I will work night and day, Sir, to get to the bottom, for instance, of the Trizec situation. I will work very hard, Mr. Speaker, as chairman of that committee. I will work very hard to find out how Memorial University spends our money. I think that would fall under the jurisdiction of the public accounts committee.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Yes, Sir.

The Leader of the Opposition said that the public accounts committee could send for witnesses, subpoena documents, have presentations made to the committee. I would like to find out, Mr. Speaker - maybe we will all be disappointed - I would like to find out why every time you get aboard an aircraft between here and the Mainland, you find somebody from the Department of Recreation and Rehabilitation going off on another little jaunt across Canada. It does not sound like a very important matter, Sir, but it is costing the taxpayers of this province several hundreds of thousands of dollars every year if you add all these little jaunts together. You get aboard an aircraft and you see the same old faces.

As chairman of the public accounts committee, Mr. Speaker, I would now be in a position to send for the officials of the minister's department and do a little investigating. Mr. Speaker, we might find out some news about the Health Science Complex over here. As chairman of the public accounts committee, for instance, I would want to know - if this is not within my terms of reference, Sir, then they might as well fire me off the committee now. I would want to know if public tenders were called for the first phase of the Health Science Complex or if tenders were invited from a selected list of contractors. I would like to know, as chairman of the public accounts committee, Mr. Speaker, if phase two of the Health Science Complex, if public tenders are being

called and contracts awarded to the lowest tender or if the existing contractors are being given a fee, a fee is being negotiated with the existing contractors?

MR. MARSHALL: Would you go to Liechtenstein?

MR. NEARY: If necessary, Sir, I would go to Liechtenstein. If necessary, Sir, I would. Unfortunately, conflict of interest would not fall under my jurisdiction, Sir, so I would not be able to, for instance, question whether or not the minister is in conflict of interest when he represents automotive parts dealers in this province who are up before court for price fixing.

MR. SPEAKER (STAGG): Order, please!

Well, the honourable member has said it. The honourable member is out of order in saying it. I ask the honourable member to refrain from further statements of that type.

MR. NEARY: Mr. Speaker, it would be very interesting indeed, as chairman of the public accounts committee, to find out just how much certain legal draftsmen down in the Justice Department are being paid. Certain legal draftsmen in the Justice Department are being paid a fantastic amount of

money I understand. Just merely a piece of information, this would only be, by the way, information that would be passed on to the public, because I think, Mr. Speaker, that all meetings of the Public Accounts Committee should be open to the general public and should be open to the news media.

I think that the committee should have a sufficient budget to be able to employ research people, and to be able to hire chartered accountants. You would not expect me, Mr. Speaker, as a poor old, ordinary old layman an ex-miner to be able to approach these matters, to be able to look into the various matters that are before us and do the job that this committee is expected to do. It would be very hard for me to do it as a layman, Sir. I think the committee should be given a pretty fair budget so that the research people can be hired and that we can hire a firm of chartered accountants if it is deemed necessary.

Mr. Speaker, all the things - I am wild about the idea, Sir, I am bubbling over with enthusiasm, all the things I can find out as chairman of this committee.

AN HON. MEMBER: You are the chairman are you?

MR. NEARY: Apparently so. I am prepared to do it, Sir. I am prepared to do the job for the people of this province that needs to be done to get the information out, get the information out to the people. I can assure the honourable gentleman if he has any fears at all about my falling down on the job, that he had better be careful in his selection of members from the government benches for that committee, Sir, because they are going to have to work. They will work for their money. They will work night and day and what I want from the honourable minister is assurance, Sir, that at least one Tory Member of the Public Accounts Committee will be in attendance for each meeting so that we can have a quorum and conduct our business in the way that it should be conducted. I want that assurance, Sir.

Otherwise, Mr. Speaker, we are just wasting our time. I will attend and my colleague to my right will attend but we have to

have some guarantee. As a matter of fact, Mr. Speaker, I recommend that the three honourable gentlemen from the government benches who are appointed to that committee, if they do not attend regular meetings of the committee that a penalty be imposed on them.

AN HON. MEMBER: Hear! Hear!

MR. NEARY: The only penalty, Sir, is to hit them where it hurts most, hurt them in the pocketbook. If the attendance in this honourable House is any indication I would say that we are doomed right from the start. Ninety-nine point nine per cent of the time the government benches are practically empty, practically empty, Sir.

Mr. Speaker, I do not know if the Minister of Finance is automatically on that committee or not. The Minister of Finance?

AN HON. MEMBER: No.

MR. NEARY: No, he nods his head he is not. But the ministers, Sir, are busy, they are quite busy. Some of the ministers, some of them are not too busy.

AN HON. MEMBER: Some do nothing.

MR. NEARY: Yes, some do nothing. The Minister of Social Services lets his officials do the work for him. When you need a captain on the bridge, Sir, they have a cabin boy. So the Minister of Social Services might make a good member for that committee, Mr. Speaker, because he has his deputy and his officials doing his work for him. The Minister of Tourism — can you imagine, Sir, a committee of myself, the Member for Hermitage, the Minister of Social Services, the Minister of Tourism and the Member for Port de Grave? What a ball we would have!

MR. MURPHY: I have no desire to be associated with the member opposite.

MR. NEARY: What a ball we would have, Sir. Nevertheless, Sir, this is pretty serious business and I look forward very much to chairing that committee, Mr. Speaker

because I am sure, Sir, that if we can get the attendance and get the budget, get the resource people, get the accounting **assistants** that we need, that this committee can and will be under my chairmanship, Sir, most effective. At long last we may have an alternative to not getting answers to our questions in this honourable House. We may be able to get the answers in another way. So, I look forward very much, Sir, to chairing this committee if the motion is passed. I hope, Sir, that honourable members on the government benches will follow the lead of the Minister without Portfolio and vote in favour of this motion so that the public accounts committee can get on with the work that it has to do.

MR. FARLE: Mr. Chairman, we are getting near six o'clock but I just want to have a few words to say on this. I have heard some pretty regular speeches in this House in the twelve years that I have been here, but I have never heard anything which ranks of quite such hypocrisy as the last speech I just heard.

Sir, if you look back at the record, the committee which was appointed of which I was a member the last time, the first effort of this Tory Government to try to set up a proper public accounts committee, was a complete and absolute washout. Contrary to what the honourable member for Bell Island is saying, it was no more the fault of the members from this side than it was those from the other side. Also contrary to what he says, there were two meetings held at the time, two meetings called. I attended both.

The first one I attended, quite honestly I think the committee did not know quite what it was there for. It did not seem to. Then after fooling around and talking about the thing for a bit, they decided that they had better get somebody to come in and advise them how to do it. So, they suggested, I think, it was Mr. Colin Baird, the auditor, should come in and have a look at the thing.

So, the next meeting, I believe, as the honourable member said, - I cannot recall this accurately - I did have a cabinet meeting and I could only attend for a limited time. The decision, as I remember, was to request Treasury Board at that time for funds to have Colin Baird

do some necessary auditing work as the committee felt. I believe - I was not informed afterwards about this - there was a peculiar lapse of cohesion in this whole thing afterwards because we took it for granted, perhaps foolishly so, that the chairman of that committee would keep us advised as to what was happening from there on. Well, just nothing did happen. I never did hear, I was never notified as a member of the committee, that there were any other meetings. I was never called to a meeting. I do not know what happened to the request for the auditor to look into things. I was never advised of that.

On one occasion I rang the opposition office to get hold of the member for Bell Island to ask him what was going on because at that time I was foolish enough to think he was sincere. I could not get any answer. I think that at about that time the member for Labrador North had gone back to his district and naturally he was down there attending to his business or something. The thing was completely forgotten.

If the opposition at that time were as sincere as they said they were in wanting a proper operation of a public accounts committee, they should have taken the initiative to see that that thing worked. Now, I did have an opportunity before this committee was formed because I was pretty closely involved with it, to have a look at the Auditor General's report at that time. The particular things which we were asked to investigate or which we could investigate in that report, in my opinion, were not worth the time wasted on them because most of them, I would say ninety-five per cent of them, were legitimate bookkeeping errors.

Whenever the Department of Finance is trying to control the expenditures of a number of departments and 8,000 public servants, there are bound to be numerous mistakes. It is only human nature that with that great number of employees, there are bound to be numerous bookkeeping, legitimate errors which are made. Some of these slip through and are not corrected. The great majority of the questions asked

as to that particular report, were nothing more or less than pure and simple bookkeeping errors. For my part, in asking the questions of the department, I was quite satisfied that there was nothing underhanded, nothing illegitimate or no attempt made to cover up anything of any significant importance which was contained in that report.

So I was not unhappy because the committee did not meet but I thought that the Opposition would have been, because due to the usual tactics which have been displayed so adequately here today, they tried to make a mountain out of nothing and possibly there could have been something in that report that they could have tried to convince the public that it was underhanded or something that should not have been done. I could not see it myself and I could not see our wasting our time on it but it was up to them to push that and to this day as a member of that committee I was not notified of any more meetings. I was not asked to attend. I did not hear what happened to the auditor that was supposed to have been appointed and the whole thing fell completely flat on its face because those who protested so much did not have the guts or the time or the inclination to follow up what they were so vehemently protesting.

MR. BARRY: Shame! Shame!

MR. EARLE: Now to go back a little further it was mentioned by the Hon. Leader of the Opposition - Heaven forbid that we ever get back in this Assembly to a situation that developed when I was previous Minister of Finance, when the Auditor General and the Comptroller at that time were hauled before this House, in a three-ring circus, to the embarrassment of the Auditor General and to the embarrassment of the Comptroller and to the embarrassment of any thinking man in this House. There was a full-scaled three-ring circus held on the floor of this House for nothing more nor less than political purposes. It was a camouflage for other things which were going on. At that time it was held here, as I say, to the complete embarrassment of these very worthy

officials that we had serving us so well, with a result that one of them, namely, Denis Groom at that time one of our most foremost civil servants was so fed up with -

AN HON. MEMBER: What precipitated that?

MR. EARLE: That was precipitated completely by the former Premier.

AN HON. MEMBER: Was the minister not in the government at that time?

MR. EARLE: I was a minister in the government at the time and protested it but at that time -

AN HON. MEMBER: Were you afraid?

MR. EARLE: No!

MR. MURPHY: The same as the - opposite.

MR. ROBERTS: Come on now!

MR. EARLE: But at that time, any how there is no point anyhow going back over it. The fact was that it was a three-ring circus which -

AN HON. MEMBER: Inaudible.

MR. EARLE: Which was completely disgraceful to the conduct of this House and it resulted, among many other things, in our losing one of the best civil servants we ever had, one of the best public servants. Fortunately this government have now got him back and Newfoundland is much the richer for it.

AN HON. MEMBER: Inaudible.

MR. EARLE: Much the richer for it, I might say.

AN HON. MEMBER: Inaudible.

MR. EARLE: I have a very, very good relationship with the gentleman referred to.

MR. MURPHY: Say it or do not say anything.

AN Hon. MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. EARLE: In any case, Mr. Speaker, I think if you want a clear illustration of the absolute insincerity of what the honourable Member for Bell Island was saying today, you only have to go back to

the question period of today. He is asking a question about an official which we have recently employed, the best we could get, and wondering why a Newfoundlander was not employed in that particular post. It is a legitimate question and I answered it I hope to his satisfaction. But the inference in that was that the Department of Finance, of which -

MR. NEARY: On a point of order, Your Honour. If the honourable minister is going to refer back, Sir, to what I said this afternoon, the question I asked this afternoon, in the oral question period, he has to do it accurately and correctly, Sir. I did not infer, I did not ask why a Newfoundlander was not appointed. I just asked the minister if an Albertian had been appointed? That is all I asked, Sir.

MR. EARLE: Mr. Speaker, I have my legitimate right to differ with the honourable member but certainly I, for one, and I think the majority of the House would get from his remarks this afternoon the implication that the Department of Finance was doing something it should not be doing, that it was employing people where it should have taken another course.

MR. NEARY: I am not going to feel guilty about it.

MR. EARLE: Well, all right, the member is now giving his feeling towards the thing because what I am trying to point out, without his interference, is the fact that if the Department of Finance is able to get the kind of people that are so necessary to control the finances of this province and to check everything thoroughly, the Auditor General's Report would probably consist of one page. What we are attempting to do is get the most highly qualified people we can

to relieve many of those that are overburdened down there now and we have some very good ones indeed so that every aspect of government in all departments and every operation of government, can be thoroughly and absolutely and completely checked. This is why we are going out to such an extent and paying very high salaries, frankly, to try to attract to this public service the type of people who can do that kind of a job because we want to see that the public interest is protected, that everything is properly checked and that the Auditor General will have no reason to come back in a years time and say that the accounts of the Department of Finance and other departments are in a mess.

Over the past two years the situation has improved tremendously. There is no comparison today with the quality of work that is being turned out in that department than was turned out previously. I am quite in the position to say that because I have been in the position twice. I can compare my former experience with my present experience.

In passing a bouquet to the staff which has been built up in that department, I say there is an excellent group of young men, highly qualified young men, both there and in Treasury Board, that are doing their darndest and doing their utmost to see that the public interests of this province are looked after. They are capable, qualified and able to check things thoroughly and they are doing a good job and they are working many, many hours overtime, far more hours than the honourable member for Bell Island would be prepared to put in on any committee. I might say, to see that these jobs are done properly.

Mr. Speaker, there is no use flogging a dead horse on this sort of thing because the Leader of the Opposition just took this as an opportunity to go back over so much of the old belly-wash that has been talked about. For instance, what in the name of heaven is the sense of going back to the Carbonear hospital. We spent three days on that and it was explained.

MR. ROBERTS: Inaudible.

MR. EARLE: There is no use trying to convince somebody who will not listen. In this case, the honourable member had the explanation but of course it did not satisfy him. Well, we cannot satisfy him if he is

not prepared to be satisfied. If he is prepared to make a public issue out of something which at that time was proved not to be a public issue, that is his prerogative.

AN HONOURABLE MEMBER: Reverend Babb will get you.

MR. EARLE: I am not interested, Mr. Speaker, in Reverend Babb or anybody else. I am interested in our department, the Department of Finance, doing the best job it possibly can with the best staff it can possibly get so that the Auditor General's report will not be something that we need to worry about.

Now, as I was in the past and as I am now, I am fully supporting the appointment of a committee on the Auditor General's report. With the Leader of the House, I would introduce a slight amendment to the motion which has been placed. It is to this effect: "That a committee on public accounts and on the report of the Auditor General be appointed (and here is the change) within fifteen days of the opening of the fourth session of this thirty-sixth General Assembly, with powers to send for officers and papers and to sit in session or out."

The effect of that is an undertaking that within fifteen days of the reconvening of the House, this committee will be appointed. I think any sensible person will realize now that we are drawing to the end of a session where not a great deal could be accomplished at this point. This lives within the spirit of the opposition's request. It lives within our contention that a committee will be appointed and I would ask that the House support it, particularly the Leader of the Opposition, because I think it meets his request.

MR. MURPHY: Mr. Speaker, I had not intended to take part but since you must leave the Chair at six o'clock, I wonder if I could adjourn it?

MR. SPEAKER: Did I hear the honourable minister adjourn the debate?

MR. MURPHY: Oh yes! Absolutely! If I cannot speak now I want to speak on it so -

MR. ROBERTS: There is only a minute or so - he cannot speak now.

MR. MURPHY: Well, I want to speak, perhaps, more than a minute or two with what I know about what happened in the past. I move the adjournment of the debate.

SOME HON. MEMBERS: Yeah! Hear! Hear! Yeah!

AN HON. MEMBER: The goat spoke.

MR. SPEAKER: Order please! It has been noted that the honourable minister has adjourned the debate and shall be given the first opportunity next day.

With regard to the amendment proposed by the honourable minister it certainly appears to be in order and will be quite acceptable.

It being Private Member's Day I do now leave the Chair until three of the clock tomorrow Thursday, December 12, 1974 at 3:00 p.m.